July 27, 2026

To

National Stock Exchange of India Limited
Exchange Plaza, C-l, Block-G
Bandra Kurla Complex,
Bandra (E), Mumbai-400051
Symbol: CAPINVIT
ISIN: INE0Z8Z07016, INE0Z8Z07024

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai- 400001
Scrip Code: 544338

Subject: Transcript of Earning Conference Call held on July 22, 2026.

Dear Sir/ Madam,

In continuation to our previous intimations dated July 17, 2026 and July 22, 2026, we hereby submit transcript of the Earning Conference Call of Capital Infra Trust ("Trust") held on July 22, 2026, at 03:00 P.M. (IST) for Q1 & FY26-27 Financial Results.

The aforementioned transcript can also be accessed on our website at below path:

(**Path:** Investors >>> Financial Result >>> Quarterly Results >>> FY 2026-27 >>> Q1 >>> Call Transcript (Text))

Kindly take the above information on your records.

The above information is also available on the website of the Trust i.e https:/capitalinfratrust.com/

For Capital Infra Trust
(acting through its Investment Manager, Gawar Investment Manager Private Limited)

SHUBHAM JAIN Digitally signed by SHUBHAM JAIN Date: 2026.07.27 17:08:19 +05'30'

Shubham Jain
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"Capital Infra Trust

Q1 FY27 Earnings Conference Call"

July 22, 2026

MANAGEMENT: **MR. HARE KRISHNA – CHIEF EXECUTIVE OFFICER**
MR. AMIT KUMAR – CHIEF FINANCIAL OFFICER

MODERATOR: **MR. ADITYA SAHU – HDFC SECURITIES**

Moderator: Ladies and gentlemen, good day and welcome to the Capital Infra Trust InvIT Q1 FY27 earnings call hosted by HDFC Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Aditya Sahu from HDFC Securities Limited. Thank you and over to you, sir.

Aditya Sahu: Thank you, Dorwin. On behalf of HDFC Securities, I welcome everybody to Q1 FY27 earnings conference call of Capital Infra Trust. From the management, we have Mr. Hare, Chief Executive Officer, and Mr. Amit, Chief Financial Officer.

I now hand over the call to Mr. Hare and his management team for the opening remarks, followed by the Q&A session. Over to you, sir.

Hare Krishna: Thanks, Aditya. Good afternoon, everyone, and thank you for joining us today for Capital Infra Trust Q1 FY27 earnings call. During the quarter, the Trust continued to deliver a resilient operating and financial performance, reflecting the strength of our strategy of owning and operating high-quality operational infrastructure assets through a risk-conscious approach.

Stable asset operations, predictable and annuity-backed cash flows, and prudent balance sheet management continue to provide a strong foundation for sustainable long-term value creation. Our portfolio remains well-positioned to benefit from the current macroeconomic environment.

Our hybrid annuity model portfolio is structurally linked only to the interest rate cycle, which benefits from rising interest rate environment and is insulated from several external variables that typically impact cash flow visibility and earnings. As such, the Trust inflows for the quarter were in line with the business plan.

In addition, the contractual fixed-price O&M contract for our portfolio has insulated us from any inflationary pressure on our overall expenses. This enables us to maintain stable and predictable cash flows irrespective of broader economic conditions. Our portfolio of 12 operational HAM assets continued to perform satisfactorily.

Routine and preventive maintenance activities were undertaken across the portfolio, asset availability remained high, and the independent engineer confirmed satisfactory riding quality with no material pavement or surface deficiencies. We also remain compliant with our concession obligations, with no NHAI litigations or penalties reported during the quarter.

As part of our acquisition strategy, we have identified six NHAI HAM assets from the sponsor's ROFO pipeline that are currently undergoing technical, legal, and financial DD. Together, these assets represent approximately 181 kilometer of project length across four states and a combined bid project cost of INR 4,871 crores.

They are operational or at advanced stages of completion, are under NHAI authority, and provide annuity and concession visibility extending largely to 2040. Subject to satisfactory due diligence and necessary approvals, the proposed acquisition would expand our portfolio from 12 to 18 assets.

The addition of long-duration NHAI-backed HAM assets would also extend our annuity visibility, diversify project and geography-level cash flows, and increase the recurring cash flow base available to support future distributions. With no direct traffic risk exposure and largely predictable operating obligations, these assets are aligned with the existing risk profile and investment strategy of the Trust.

Our sponsor ROFO pipeline of additional 11 assets provides us with an important strategic advantage, providing meaningful visibility for further portfolio expansion. In addition, we are also selectively evaluating suitable third-party operational assets where the asset quality, contractual framework, risk profile, and valuation are aligned with our investment criteria.

As of June 26, our consolidated net debt to enterprise value ratio stood at 41.1%. As part of our acquisition funding strategy, we expect the leverage ratio to move towards approximately 60% from current 41%, subject to the proposed transaction structure and applicable approvals. This available headroom gives us the ability to fund a meaningful portion of the acquisition through debt while calibrating the requirement for incremental equity.

Our borrowing profile has also become increasingly aligned with the structure of our underlying HAM assets. At the end of June 26, approximately 58.6% of our borrowings were floating rate, while 41.4% were fixed rate, while the overall effective interest rate declined from 7.33% in March to 7.24% in June. Our focus will remain on maintaining a competitive borrowing cost, aligning debt repayments with project cash flows and preserving sufficient risk flexibility for future acquisitions.

Predictable and sustainable distributions remain centre to our investor proposition. For FY27, we maintained our distribution guidance of INR9 to INR9.25 per unit. Having declared a distribution of INR2.32 per unit for Q1 FY27, we remained confident of delivering the full-year distribution guidance.

To conclude, Q1 FY27 has been a quarter of stable operations and disciplined preparation for the Trust's next phase of growth. We also have six identified assets currently under diligence, supported by a broader sponsor ROFO pipeline, while retaining the flexibility to selectively evaluate value-accretive third-party opportunities.

Our priorities remain clear maintain high-quality operations, complete acquisitions only where they are NAV accretive, use leverage prudently, optimize our cost of capital and deliver predictable distributions to our unit holders. Thank you. Now, I would like to hand over the call to Amit for financial update.

Amit Kumar: Thank you, Hare. Good afternoon, everyone. I'll briefly cover the key financials and distribution updates for Q1 FY27. During the quarter, we received annuity inflows of INR2,162 million from four projects. The remaining two annuities due during the quarter aggregating to approximately INR1,629 million were received subsequently in July 2026.

On a standalone basis, total income for Q1 FY27 stood at INR2,313 million compared to INR2,590 million in Q4 FY26. Standalone EBITDA was INR2,258 million, while profit after tax stood at INR1,734 million. On a consolidated basis, total income stood at INR2,950 million compared to INR3,450 million in the preceding quarter.

The quarter-on-quarter movement primarily reflects the timing and seasonality of income recognition across our HAM assets. Consolidated EBITDA for the quarter was INR1,807 million compared to INR2,818 million in Q4 FY26, while consolidated profit after tax stood at INR1,256 million compared to INR1,950 million in the preceding quarter.

The movement also reflects planned maintenance and asset upkeep expenditure incurred during the quarter. Importantly, the underlying portfolio continued to generate stable, contracted and annuity-linked cash flows. During Q1 FY27, we have also received an indemnity claim amounting to INR104.1 million from the sponsor.

Moving to distributions, the Board has approved a distribution of INR2.32 per unit for Q1 FY27, translating into an aggregate cash distribution of INR1,140 million. With this distribution, cumulative distributions since the IPO stand at INR37.8 per unit aggregating to INR12,079 million. Further details on our financial performance, cash flows and distributions are available in the investor presentation. Thank you. We can now open the floor for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will now wait for a moment while the question queue assembles. Our first question comes from the line of Dhvanil Raut with Dalal & Broacha. Please go ahead.

Dhvanil Raut: Hi, thank you for the opportunity. I've been going through your financials and I've been comparing your P&L statement where you’re operating and maintenance expenses account to around 36% and 38% for this quarter, considering other expenses too. And for the last financial year, it was accounting to around 40%, whereas the previous financial year before that was around 43% to your total revenue. This is all accounting to total revenue I'm speaking.

I just wanted to understand why is it such a big number and your peer groups have been maintaining this same operating and maintenance as expenses to total revenue at around 20% or some are 18%. So, why is there such a big gap in the figures according to your peer groups and what do you give us? And also, I wanted to understand why the project management fees have been increasing a lot. This is regarding your previous quarter financials and this quarter also.

Amit Kumar: Okay. As you are aware of, we have done the acquisitions of three SPVs in December 2025 which has led our portfolio increase from 9 assets to 12 assets. If you compare with the last financial year, it was for a good number of nine months, it was only assets for nine months, nine assets were considered, while this quarter, entire operation and maintenance is considered for 12 assets.

Dhvanil Raut: Yes, but I've been comparing your insurance expenses if you've added around -- this is as per the Q4 financials I'm talking about. The insurance expenses went from INR46 million in FY24-'25 to around INR69 million in FY25-'26. And that's such a big jump like of approx 50%. So, if you're adding three assets, why is there such a big jump in insurance expenses?

Amit Kumar: If you compare FY25 to FY26, FY25 was the reflection of only three months from where we have started the operations in Trust, where we got listed in January 2025. And for financial '25, the financials were only of two and a half months for entire assets. In FY26, there was nine assets existing plus three more assets which we have taken in December '25. So that's not comparable in per se.

Dhvanil Raut: Okay. And could you please explain what is loss on modification of financial assets?

Amit Kumar: Loss of modification. Okay. So, basically as perIND AS, whenever there is an asset being taken as a concession, it has been based on the estimates, we devise certain projections for the upcoming period or the operational period.

If there is a change in an estimate, which was like in the last year, there was a change in bank rate and other changes in the insurance estimates and in everything, which has led to any modification gain, keeping the IRR which we have fixed at the time of acquisition of asset. So modification gain loss, if I'll put it per se, it's a notional gain and loss based on the estimate, change in the estimates during the year from the last estimate.

Dhvanil Raut: Okay. Thank you so much. If you don't mind, I have one question about the indemnity claim and why did you all receive it, if you could please answer that.

Amit Kumar: So, at the time of acquisition of assets at the time of IPO, there is certain claims which were pending from NHAI, which is basically pertaining to GST change in law. There was a clause at the time of share purchase agreement and if we are not been able to receive it from NHAI within 18 months from the last approval from NHAI, sponsor or the seller has to indemnify me for the loss of cash which I'm not getting from the NHAI. So, this indemnity claim was due since that 18 months has lapsed, so that claim we have received during the year.

Dhvanil Raut: Okay. Thank you so much, sir, and all the best for the future.

Moderator: Thank you. Our next question comes from the line of Priyam Shah with Value Equity. Please go ahead.

Priyam Shah: Thanks for the opportunity, sir. So my first question is that for the financial year FY27, we have guided a DPU of INR9 and INR9.25 unit. So, as we are in the growth phase and we are in acquiring and we are doing new acquisition, so just wanted to check is this INR9, the guidance is sustainable?

Hare Krishna: Yes, hi, this is Hare Krishna here. Yes, the guidance is sustainable. See, in the beginning of the year, we have given the guidance of INR9 to INR9.25 per unit. This quarter, we got approval from Board to distribute INR2.32. We are pretty much on track to maintain the guidance for the financial year.

Even if we are to acquire additional assets, they themselves would be operational assets, they themselves would be receiving annuity income, so therefore they are not going to drag the guidance for this year at all.

In other ways round, even we have leverage headroom along with us, so we are going to increase the leverage for our portfolio going forward, which is further going to be accretive to the unit holders. Therefore, to summarize, we don't see any challenges in meeting the guidance for this financial year.

Priyam Shah: Okay. Thank you so much for your detailed answer. And secondly, again just a bit addition on the same one. So is at this point would you be able to guide the DPUs for FY27 and beyond?

Hare Krishna: See, to give guidance for FY28 would be difficult at this stage, although we expect it to be increased by roughly 7% to 10%, but we won't be able to give exact guidance for FY28. We do anticipate 7% to 10% increase in the next financial year because we are already evaluating six sponsors ROFO assets right now, in addition few additional assets as well. These will and the higher leverage will help us in increasing the DPU going forward FY27 onwards.

Priyam Shah: Noted, sir. And as you are mentioning about the additional ROFO assets which you are looking, could you also share that what would be these third-party assets that you are looking for and what is the aspiration of the management for the next about five years?

Hare Krishna: Yes. So with regards to the sponsor assets, there are about 17 assets on which sponsors are working upon. Six are under diligence at this stage. We have engaged technical, legal and financial DD advisors to conduct the diligence and we anticipate completing that exercise by mid-August and complete the acquisition subject to regulatory approvals and the other approvals either in Q2 or Q3 of this financial year.

In addition, the additional 11 assets would be available for acquisition over the next two to three years from a sponsor. In addition, the third-party assets, we are in the evaluation stage at this point of time. Advanced discussions are underway for two assets, however we are yet to execute term sheets with them. The discussions are underway and we are confident of closing one or two additional third-party assets over the next six to nine months.

Priyam Shah: Thank you so much for your detailed answer. My one last question. Let's say for example if a repo rates decline by let's say 50 bps or 100 bps. So, in this scenario, would there be any net impact on our annual DPU guidance because as we understand that the annual receipts and the borrowings both are rate-linked?

Hare Krishna: Yes. See, we have annuity-linked portfolio which largely resides on the future cash flows in the annuity portfolio is largely linked to the interest rate environment. If interest rate rises, our future cash flows increase. If it goes down, our revenue decreases. So therefore, if there is a rate cut, this will impact our revenue and overall cash flow of the firm and vice-versa if the rate hike has to happen then it would increase as well.

The way I mentioned earlier, we have good amount of floating rate loans available with us, which are a natural hedge to the revenues which we are receiving. So therefore, even if a rate cut were to start right now, this would not severely impact us because 60% of our approximate portfolio is based on floating rate loans and it would not severely impact our portfolio that way. However, from our view, we do expect the interest rates to firm up going forward, not immediately but in the short to medium-term.

Priyam Shah: So that's all from my side and I wish you all the best, sir.

Moderator: Thank you. Our next question comes from the line of Nachiket Kale, an individual investor. Please go ahead.

Nachiket Kale: Yes, hi, thanks for the opportunity and a great set of numbers. My query is a little bit different. We have given the breakdown on rigid and flexible bit in the portfolio of assets. So, could you tell me the dynamics and what is the advantage or disadvantage of this and how is the mix for the upcoming ROFO assets across rigid and flexible?

Hare Krishna: Yes, hi. So essentially in our portfolio around say 35% of our lane kilometer which we have, that's rigid and the residual is flexible. The way it undergoes for a flexible pavement highway, typically your O&M costs are higher and for a rigid, the O&M costs are lower.

Now, in our investment thesis, what has happened is that the moment we were to acquire those assets based on the third-party diligence, we have given a fixed-price operating contract to our sponsors as project manager.

Therefore, the Trust has no inflationary impact on managing the assets on a day-to-day basis. For us, in any financial year, the outlay is fixed and we are not exceeding beyond that and we are operating at the same level itself.

Nachiket Kale: Okay. And how would this split shape up in the upcoming ROFO assets?

Hare Krishna: For upcoming ROFO assets, we are still in the due diligence stage, we are yet to collate this stuff. We have just initiated the process. We would be able to answer this in the next quarter.

Nachiket Kale: Okay, understood. So this 35-65 is the optimal mix or will there be ideally some tweaking towards 60-40 or even 70-30, which would be ideal?

Hare Krishna: No, I would not say this is ideal, say because depending upon the geography, terrain, NHAI bids out the pavement quality based on the requirement of the terrain itself. So, this varies and the rigid to flexible composition in any InvIT portfolio would vary, so I would not say there is an ideal composition for this.

Nachiket Kale: Okay, thanks. I'll get back in the queue.

Moderator: Thank you. Our next question is from the line of Janvi Shah from Share India Securities Limited. Please go ahead.

Janvi Shah: Hello, sir. Congratulations on the result and thank you for letting me ask the question. I mainly just have two questions. We have some ROFO assets in the pipeline, I think we'll be adding some this year maybe. So for the ROFO assets, is there any funding requirement that do we need to raise some money to acquire the new books and how will that work? Are we looking at equity or debt? And if debt, then what is the ratio that we are comfortable with?

Hare Krishna: Hello, sorry, your voice was not clear. Could you repeat your question, please?

Janvi Shah: Hello, sorry. Am I audible now?

Hare Krishna: Yes.

Janvi Shah: Yes. I was saying that we have like lot of ROFO assets in the pipeline, six of them the HAM ones that we are going to acquire soon. So, what will be the timeline in that and to acquire the same, are we looking at raising equity or debt? And if debt, what levels are we comfortable with?

Hare Krishna: Yes. So as of now, we are working on acquiring six ROFO assets and our current net debt to EV ratio for the Trust is around 41.1% and right now, we would be making six distributions. Post that, we would be eligible to increase our leverage ratio to 70%. So endeavour would be to initially increase from 41% to somewhere close to 50% and then eventual around 60% mark over there.

So therefore to answer your question for acquisition of the current six assets, we would be utilizing both debt and equity both so that our overall leverage at the Trust level increases from around 41% currently to somewhere around 50% right now and eventual to the target of 60%.

Janvi Shah: Okay, thank you, sir. And sir for these six assets, how much money is actually required, like either debt or equity, but how much is actually required to acquire them?

Hare Krishna: See, we are yet to conduct the detailed diligence and valuation.

Janvi Shah: Okay. And so any like tentative timeline, any something?

Hare Krishna: Yes, based on our estimate, the enterprise value should be around INR 2,900 crores.

Janvi Shah: Okay. Thank you so much.

Moderator: Thank you. Our next question comes from the line of Rahul Gupta from Astra Investments. Please go ahead.

Rahul Gupta: Hi, sir. Good afternoon. Thank you for taking my question. Sir, basically I have a couple of questions. Firstly, sir, I wanted to understand what is the NAV for Q1FY27, I mean this quarter, and if you could provide medium-term target for the growth, NAV growth specifically as acquisitions are being executed.

Hare Krishna: See, this quarter we didn't get external valuation done. This is as per the SEBI InvIT regulations because it was not mandatory. Based on our management estimate, the NAV should be around INR74.8. Last quarter, this was INR74.7. So based on our management estimate, it should be around INR74.8 and this does not include additional about INR17 crores of indemnity which is due from sponsors in June 2027.

Rahul Gupta: Okay, sir. Understood, Sir and my second question was on ROFO pipeline. So beyond the six assets currently under due diligence, I think we have a sizeable ROFO pipeline of around 11 assets. So, can you help us understand the duration of growth visibility that is embedded in the current ROFO pipeline?

Hare Krishna: Yes, so see, the six ROFO assets we already talked about. Additional two assets should be ready by Feb to April next year, Feb to April 2027 and the residual would be developed over the period of two to three years. So, these are the identified pipelines which we have as we speak.

In addition, sponsors are bidding for new projects with NHAI and they are trying to acquire additional assets as well. As and when they acquire, that would also form part of our ROFO assets altogether.

Rahul Gupta: Understood, sir. All right, sir. That's all from my side. Maybe I'll get back into the queue. Thank you.

Moderator: Thank you. Our next question is from the line of Kalyan, an Individual Investor. Please go ahead.

Kalyan: Thank you. Can you hear me clearly?

Moderator: You are audible, sir. You may proceed.

Kalyan: Thank you. Good afternoon, and I joined a couple of minutes late in case if this question or parts of this question would have been asked, apologies. So, my question is saw the breakup of the distribution, predominantly almost 90-odd percent is taxable. I know as an investor or as even as an operator, you wouldn't have much control because I think it comes from the way SPVs are structured and the way in which the tax regime is chosen.

So, but if this is the proportion at which we are seeing the same type of taxable distribution we are seeing for the rest of the three quarters in the financial year, that is one. And the other thing which I want to ask is the second question, is that all the additions which are going to happen in terms of in terms of AUM addition as assets, will this be distribution accretive, whether servicing of the debt or the higher equity portion, will this be DPU accretive from here.

I know the guidance has been given 9-9.5, but I still want to make sure that because this is we are not only looking this year, but we are looking for the future as well. So two-part question. First question is whether the distribution of the taxable and non-taxable will stay as it is with almost all the distribution taxable as it is in this last distribution has been declared. The second one is will every one of your additions be DPU accretive?

Hare Krishna: Yes. So, with regards to the taxability of the distributions, yes, I mean in this quarter, the percent of the non-taxable distribution was higher. Overall, we foresee in this financial year at least 20% to 25% would be non-taxable, which would be in the form of repayment of capital from SPVs to Trust. So, over the subsequent distributions during the year, that component would increase and for the entire financial year, we expect that to be in the range of 20% to 25%.

With regards to the additions of the assets, our key priority is to acquire assets only when they are accretive to the unitholders. So, we always look at say first, we look at whether they would be adding to the NAV or not. We will always try negotiate some discount to the current market value with the sellers to ensure that once we are onboarding them, it helps in increasing the NAV per se, and increases the overall return of the existing unitholders as well.

Discounts are a function of market timing as well, but to answer your question, we would be undertaking any further acquisition only after they are accretive to the existing unitholders, both in terms of upliftment to the NAV or the future IRR of the asset.

Kalyan: Excellent. Thank you. Much appreciated. Thank you. Both questions are answered. One last question if I may have time, I don't know. Very quickly let me run into. This this quarter's result when I quick looked at it first glance, I didn't look at it in depth. It looked a little lesser than the revenues sequentially on the quarter-wise were lesser as well as also the profits were lesser?

Obviously, everything has got to do with costs, there would have been one-time costs which probably had shown up. I didn't look in depth, but do you have a comment on how the quarter turned out to be?

Hare Krishna: Yes. So, we do from accounting perspective, we adhere to percent completion approach. So therefore, the revenue and the expenses which you are seeing, they are based from an accounting point of view. From a cash flow perspective, in the quarter, we operated as per our business plan. Annuities due, we have received four of them. The two annuities were due towards the end of the quarter, and that we received in the first, in the July itself.

So therefore, on the receipt part, we have performed exactly in line with our business plan altogether. Similarly on the expenses front, there were no additional major expenses during the quarter. All our O&M expenses are fixed, and we have operated within that regime itself. So, from a cash flow and the operations perspective, we have remained as per our anticipated business plan which was in the beginning of the year and there have been no variations.

Kalyan: Thank you. Appreciated. Thank you, sir. Back to the operator.

Moderator: Thank you. Our next question comes from the line of Shonaya Jain from Porwal. Please go ahead.

Shonaya Jain: Hi, sir. Congratulations on the good set of numbers. I just had two questions. First, can you please elaborate on the key attributes that make these six HAM assets particular attractive for the acquisition compared to other opportunities available in the market?

Hare Krishna: Yes. So essentially the six assets which we are seeing as of today, they are aligned with our investment thesis to particularly target annuity-based assets in the road sector. And essentially, they are staggered across four assets which adds to the diversification we are looking at. And they are closer to the portfolio we are operating from, so they further are going to provide operational efficiency in future when we were to operate.

And as discussed earlier, say we are yet to finalize the pricing of the assets subject to the due diligence which is underway. However, we will ensure that they are NAV accretive, and they help us in increasing the IRR potential of the entire existing portfolio right now.

Shonaya Jain: Okay, great. And like also with the current acquisition of six assets, how do you expect the NAV to trend? Like can you give some color on NAV?

Hare Krishna: Yes, so that would be a little bit difficult to answer because the estimating the NAV post six assets is a function of what price the additional capital raise happens and the other parameters as well. So therefore, it would not be possible to answer this question at this stage.

Shonaya Jain: Okay. And any ballpark range if possible?

Hare Krishna: Sorry, it would be difficult to give a range right now on NAV impact of these assets.

Shonaya Jain: Okay, okay. Thank you so much.

Moderator: Our next question comes from the line of Dhvanil Raut with Dalal & Broacha. Please go ahead.

Dhvanil Raut: Hi, sir. Just follow-up to my first question. I just want to know if the O&M expenses to the total revenue will be continuing at this rate of about 30%-36% for the future too because compared to your peers, it's a bit high, so we are a little concerned on that?

Hare Krishna: To answer your question, O&M expenses as percent of revenue. See, the way I explained earlier, our financials are based on the accounting standards which uses percent completion approach. So tomorrow if margin changes, then the revenue factor on O&M will also change altogether. For instance, tomorrow if an interest rate hike happens, our margin will expand and therefore the factor being used on the actual operating expense to derive revenue will also increase and will also go up.

Therefore, if you look at from accounting perspective, there may be variations because if our future revenues are to increase or decrease, there will be variations. However, from an absolute cost perspective as I mentioned before, our operating expenses for all the 12 assets for the entire residual period of the concession period is fixed, and that's what we have contracted with our project manager. So, on the operating part, there are no escalation whatsoever in our expenses.

Dhvanil Raut: Okay, sir. Thank you so much. That'll be all now, and all the best.

Moderator: Thank you. Our next question comes from the line of Chandrabhan Singh Chauhan with ASK Wealth Advisors. Please go ahead.

Chandrabhan Chauhan: Hi, thank you so much. I would like to ask if there is any analysis in terms of increased bitumen prices on acquisition of the new six assets that we are acquiring as well as on the major maintenance part. So, the impact of increased bitumen prices, so that's the question?

Hare Krishna: No, we have noticed that the bitumen prices have gone up in the last quarter. However, in our portfolio, the way I explained earlier, there is no impact of increase in bitumen prices or any other raw material on our expenditure at all because we are operating on a fixed-price contract to the project manager. So therefore, on our expenditure side, there has been no increase whatsoever. However, because the WPI and CPI is elevated right now, we do receive 3% to 4% of our inflows as O&M operating income from NHAI and that is linked to WPI and CPI.

Because in the last quarter the WPI was elevated, the receipt on O&M operating income from NHAI has correspondingly gone up for all the SPVs. Therefore, to summarize, on our revenue side because of the higher inflation, a small portion of our revenue has increased. However, on the expenses side, our expenses continue to remain at the same level, there is no variation whatsoever on our expenses front, despite inflation going up.

Chandrabhan Chauhan: Thank you.

Moderator: Thank you. Ladies and gentlemen, to ask a question, you may please press star and one. Our next question is from the line of Nachiket Kale, an Individual Investor. Please go ahead.

Nachiket Kale: Yes, hi, thanks again for the opportunity. Just a small question. In the assets targeted for '27, the Kangra Highways project shows construction status at 96.3%. So, for completion of the construction, how is the costing incurred and that will be on books of ours or the parent?

Hare Krishna: Yes, sorry, couldn't hear you well. Could you please repeat that?

Nachiket Kale: Yes, am I audible better now?

Hare Krishna: Yes, it's better.

Nachiket Kale: Yes. So, in the assets targeted, the Kangra Highways project shows construction status at 96.31% complete. So, the remaining construction cost, that will be borne on whose books? It will be on parent's books or our book? Like in our -- the cost will increase for us once we've acquired, just wanted clarity on that.

Hare Krishna: No, I sorry, understood, the point you are highlighting. See, the six projects which we are targeting right now, four have already received the completion certificate or we call COD, which is being issued by NHAI. The two projects, Bhiwani and Kangra, they have also received a PCOD. And say for Kangra right now the construction status is 96.31% complete.

When we are to when we are to acquire this, we would initially agree on the residual amount to be funded to complete the asset, and we will keep it funded, and we will pay that amount to project manager only once that work has been completed. So, we would withhold the amount required to complete the work based on NHAI's assessment from the overall consideration to be paid to GCL.

Nachiket Kale: Okay. Thank you.

Moderator: We have no further questions at this time, ladies and gentlemen. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Hare Krishna: No additional comment from our side. Thank you, everyone, for participating in the call. Thank you.

Moderator: Thank you. On behalf of HDFC Securities Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.