

# NHAI InvIT Raises Funds Through Follow-on Issuance

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National Highways Infra Trust (NHAI InvIT), the infrastructure investment trust sponsored by National Highway Authority of India (NHAI) to support Government of India's National Monetization Pipeline, has raised a sum of Rs 1,430 crore from domestic and international investors through placement of its units, for part funding its acquisition of three additional road projects from NHAI.

The placement of units with institutional investors, witnessed strong demand from both existing investors, who reposed their commitment by participating in the process, as well as new investors. The units have been subscribed by a gamut of institutional investors including Canada Pension Plan Investment Board, Ontario Teachers' Pension Plan Board, State Bank of India, SBI Pension Fund, SBI Mutual Fund, IOCL Employee Provident Fund, L&T Staff Provident Fund, Rajasthan Rajya Vidyut Karamchari Pension Fund, TATA AIG and Star Union Daiichi Life Insurance. NHAI subscribed to the units through preferential allotment to maintain its unitholding of at least 15%. The units were subscribed through a book build process at INR 109 per unit, at a premium over floor price of INR 107.12 per unit.

In addition to the above, NHAI InvIT has also filed prospectus with SEBI for issuance of Non-Convertible Debentures (NCDs) to raise Rs 1,500 crore. The NCDs would carry a coupon of 7.90% payable semi-annually and would be available for subscription by both retail and institutional investors.

The success of the follow-on issuance of units by NHAI InvIT demonstrates its attractiveness to sophisticated institutional investors. Their participation in this round supports National Monetization Pipeline, in which NHAI has the largest share and is crucial for Prime Minister's and Minister of Road Transport and Highways' vision of development of roads sector in the country.

"In a historic first, NHAI InvIT has, through a transparent & market driven process, raised the funds in a follow-on issuance with entire premium accruing to NHAI. We thank the existing investors for their continuous faith in NHAI InvIT as well as new investors for coming on board in making NHAI InvIT a success," said Alka Upadhyaya, NHAI Chairperson.

Launched in November 2021, NHAI InvIT had raised Rs 8,011 crore for NHAI in its maiden round, with initial portfolio of five operating toll roads of aggregate length of 390 km. With the acquisition of three additional road projects, NHAI InvIT will own, operate and maintain a portfolio of eight operating toll roads with an aggregate length of 636 km spread across the states of Gujarat, Karnataka, Maharashtra, Madhya Pradesh, Rajasthan, Telangana and Uttar Pradesh, with concession period ranging between 20 to 30 years.

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**MJPS**

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