

August 12, 2025

To,

National Stock Exchange of India Limited
Exchange Plaza, C-I, 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 of Capital Infra Trust held on August 08, 2025

Dear Sir/ Madam,

With reference to our earlier intimation dated August 05, 2025 and August 08, 2025, we hereby submit transcript of the Earnings Conference Call of Capital Infra Trust held on Friday, August 08, 2025, at 2:00 PM (IST) for Q1 FY26 Results.

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

(**Path:** Investors >>> Financial Result >>> Quarterly Results >>> FY 2025-26 >>> Q1 >>> Call Transcript (Text))

Kindly take the above information on your records.

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

For Capital Infra Trust (InvIT)

By Order of the Board
Gawar Investment Manager Private Limited (as the Investment Manager to InvIT)

Shubham Jain
Company Secretary and Compliance Officer

Copy to:

Trustee to the InvIT
Axis Trustee Services Limited
Axis House, P B Marg, Worli, Mumbai,
Maharashtra, India - 400025

Debt Security Trustee
IDBI Trusteeship Services Limited
Ground Floor, Universal Insurance Building
Sir P.M. Road, Fort, Mumbai, Maharashtra – 400001





**“Capital Infra Trust
Q1 FY26 Earnings Conference Call”
August 08, 2025**



**MANAGEMENT: MR. MANISH SATNALIWALA – CHIEF EXECUTIVE
OFFICER – CAPITAL INFRA TRUST
MR. AMIT KUMAR – CHIEF FINANCIAL OFFICER –
CAPITAL INFRA TRUST**

MODERATOR: MR. MOHIT KUMAR – ICICI SECURITIES

Moderator: Ladies and gentlemen, good day and welcome to Capital Infra Trust Q1 FY26 Earnings Conference Call. 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 call, 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. Mohit Kumar. Thank you and over to you, sir.

Mohit Kumar: Thank you. Good afternoon. On behalf of ICICI Securities, I welcome you all to the Q1 FY26 earnings conference call of Capital Infra Trust. Today, we have with us from the management, Mr. Manish Satnaliwala, CEO, and Mr. Amit Kumar, CFO. We'll start the call with brief opening remarks which will be followed by Q&A.

Over to you, sir.

Manish Satnaliwala: Thank you, Mohit. Good afternoon, everyone, and thank you for joining us on the Q1 FY26 earnings conference call of Capital Infra Trust. It's a festive time for next one week and I take a moment to wish you all a very Happy Rakshabandhan and Happy Independence Day in advance.

We have had a steady and encouraging start to FY26 in Q1. Our operational assets continue to deliver consistent annuity cash flows across the portfolio. We currently manage approximately 683 kilometers of annuity roads with an average residual life of 11.3 years, providing visibility on cash flows.

Our vision statement is clear to deliver consistent and superior yields for our investors by combining expert asset management with innovative structuring, prioritizing transparency, disciplined risk management, and long-term value creation. This is encapsulated in our vision 3G framework; growth, governance, goal, guiding our roadmap to \$5 billion AUM by 2030.

Our distribution for Q1 FY26 stands at 3.61 per unit, comprising of Rs. 2.61 per unit as interim distribution and Rs. 1 per unit declared this month. This keeps us well on track to meet our FY26 distribution guidance of Rs. 14.61 per unit, translating to a 14.75% yield on issue price. Since inception, we have returned Rs. 26.50 per unit to our unit holders, excluding the recent distribution declared.

In terms of industry and regulatory updates, we are encouraged by the renewed momentum in India's infrastructure sector. The NHAI is set to build up 124 highway and expressway projects in FY26, covering approximately 6,376 km, surpassing the peak of FY23 with an estimated outlay of Rs. 3.45 lakh crores.

Notably, 80 of these projects are under HAM, which aligns closely with our core investment strategy. This renewed activity is further supported by the National

Infrastructure Pipeline (NIP) and PM GatiShakti Yojana, which continue to anchor large-scale capital deployment across roads, ports, logistics, with annual infrastructure capex targets exceeding Rs. 10 -11 lakh crores or 3-3.4% of GDP.

In addition, the monetary policy during the quarter had a bank rate cut by 75 basis points, with a neutral stance. The RBI had maintained a similar stance in its MPC meeting held a couple of days before. While lower bank rates may reduce interest income for InvITs, the impact is meaningfully offset by the benefit of reduced debt servicing costs, ultimately enhancing cash flow efficiency and supporting accretive growth.

In terms of SEBI updated inventory regulations, it brings meaningful enhancements to support stable returns and prudent risk management. At least 80% of the assets must be invested in completed and revenue-generating assets, reinforcing long-term cash flow stability. The new framework also permits InvITs to deploy surplus cash in selected liquid funds, improving short-term liquidity while maintaining a low-risk profile.

Additionally, InvITs can now hedge interest rate exposures to derivatives such as swaps, futures and FRAs, an important tool to manage financing and floating rate debt risk in a dynamic rate environment. In terms of key operational highlights, six projects have fully completed and have received their COD, and the remaining three projects which were under construction have applied for the completion certificate during the quarter.

All nine assets have maintained satisfactory conditions, reflecting commitment to our road quality standards. Routine maintenance was consistently implemented across sites. Driving quality remained stable and satisfactory throughout, highlighting our commitment to operational excellence and long-term asset value.

In terms of growth, which is the main part, I am pleased to say that we have received a ROFO notice from sponsors and our board has authorized to start due diligence and evaluation for adding three new assets from the sponsor to our portfolio in FY26. These three assets are JRR Highways Private Limited, which is located in the state of Rajasthan, the second is Hasanpur Bhaktiyarpur Highway Private Limited located in Bihar, and the third is Korba Highway Private Limited located in Chhattisgarh.

All three assets are fully operational, backed by NHAI annuity payments, and will be acquired with 100% InvIT ownership. Together, they are expected to add Rs. 2,500-3,000 crores to our AUM. We remain focused on scaling prudently, targeting high-quality operational HAM assets, while maintaining a prudent 80-20 mix between HAM and BOT total exposure.

In closing, our strategy remains anchored in asset quality, predictable cash flows, and disciplined growth. We have provided a DPU guidance of Rs. 14.6 per unit and are confident of achieving it. With a robust pipeline, we are targeting over Rs. 2,500 crores of AUM addition in FY26 compared to the current AUM of Rs. 4,185 crores, representing

a growth of around 60% and remain focused on our long-term vision of reaching \$5 billion in AUM by 2030.

We are optimistic about the road sector and committed to delivering sustained value to our stakeholders. Thank you, and now I would like to hand over to Mr. Amit Kumar, our CFO.

Amit Kumar:

Thank you, Manish. Good afternoon, everyone. I will take you through the key quarterly financials update for the Trust.

Starting with the AUM, we have concluded Q1 FY26 with a strong AUM of Rs. 4,185 crores. Post-listing, we had issued NCDs totaling to Rs. 2,363 crores at a competitive cost of debt of approx. 7.68% per annum, which are payable half-yearly. There is no change in the total debt since then. Trust continued to be rated AAA by two rating agencies, that is CRISIL and Care, for the entire debt.

We are on slide 17. For the period under consideration, the total distribution per unit for the quarter works out to Rs. 3.61 per unit, out of which Rs. 2.61 per unit was distributed as interim distribution in June 2025 itself, and remaining Rs. 1 per unit will be distributed now. The proposed Rs. 1 distribution will be in the form of repayment of debt and will be tax-free in the hands of investors.

We are on slide 16. On a consolidated basis, total income works out to Rs. 206 crores, with net loss of Rs. 73 crores as compared to total income of Rs. 159 crores and loss of Rs. 37 crores in last quarter. Since trust got listed in the month of January 2025, only comparatives for Q1 FY25 are not available.

The net loss booked in the current quarter is mainly due to modification loss booked on financial assets, primarily due to change in the bank rate by RBI by almost 75 bps since the starting of this current quarter.

Talking about the profit and loss on the standalone basis, the trust recorded a total income of Rs. 298 crores, consisting of dividend from subsidiaries of Rs. 194 crores and trust income on loans extended by trust to SPVs of Rs. 100 crores and other treasury income of Rs. 66 lakhs. EBITDA for the said period works out to Rs. 297 crores.

During the said quarter, an impairment in the value of investment is booked, which amounted to Rs. 330 crores. The main constituents for the same were interim distributions to unit holders in June 2025, change in the bank rates and approval pending for certain GST change in law from NHAI. Since distributions from these SPVs to the trust are tax-free in the hands of trust, the tax outflow on the standalone level is only on the other income earned by trust.

Thank you all for your attention. All other information is available in our presentation. We can now open the floor for any questions you may have.

- Moderator:** Thank you very much. We will now begin the question and answer session. The first question is from the line of Jainam Jain from ICICI Securities. Please go ahead.
- Jainam Jain:** Thank you for the opportunity. Sir, can you help us understand the loss on modification of financial assets worth Rs. 180 crores which we have booked in this quarter?
- Amit Kumar:** So, as per Ind AS, there is a booking of financial assets. Based on the estimates, we have it from the NHAI on the HAM projects. So, whenever there is a change in the estimates, we have to book the modification gain or loss. Since there is a change in the bank rate, as I have already mentioned, there are 75 bps starting from this quarter.
- So, that actually made this entry to happen in the books. This is though a notional entry, but it actually depicts the overall cash flows expected from the NHAI in the coming years.
- Jainam Jain:** Okay, sir. I got it. So, are there any specific assets which we are looking to acquire in FY26?
- Manish Satnaliwala:** Can you repeat the question?
- Jainam Jain:** Are there any specific assets which we are looking to acquire in FY26?
- Manish Satnaliwala:** Yes. So, as I told in my speech, we have received a ROFO notice from the sponsor. So, there are three assets that we are going to acquire, and we are starting the due diligence and evaluation of that. Those assets are located in Chhattisgarh, Bihar, and Rajasthan.
- Jainam Jain:** Okay, sir. That answers my question. Thank you so much and all the best.
- Moderator:** Thank you. The next question is from the line of Sonia Keswani from Coheron Wealth. Please go ahead.
- Sonia Keswani:** Hello. Thanks for the opportunity. Sir, when I heard your opening remarks, you were talking about adding close to Rs. 2,500 crores in the AUM. Can you share a similar target for FY27?
- Manish Satnaliwala:** So, Sonia, I think we are looking at adding the similar kind of numbers in FY27 also. So, we are looking at adding three to four assets this year. Three are going to add by Q3-Q4 FY26. And next year also, we will have a similar kind of target of adding around four assets. AUM can be around Rs. 3,000 crores, but similar four assets will be there.
- And that is only from the sponsor piece at this point of time. But in case we get a value-accretive deal from outside the market, we can look at that also. But four is definitely, I think, we should be looking at FY27.
- Sonia Keswani:** Okay. And can you help me understand the competitive landscape for third-party HAM asset biddings? And what are the strategies that you are adopting to secure these assets that are attractive in IRRs?

- Manish Satnaliwala:** So, it's all market-driven, Sonia. They are assets in the market, HAM assets. But HAM is a very scattered kind of an asset with multiple players. So, we are looking at the right kind of asset with our investment strategy and value-accretive. But in terms of the IRR, it will be value-accretive to the stakeholders. As and when we get into that kind of a discussion, we will definitely update the unit holders on that.
- Sonia Keswani:** Okay. Got it. And so, my last question would be around EBITDA. You have posted an EBITDA loss for this quarter. So, can you share any guidance for FY26? Can we expect an EBITDA positive figure for the full year?
- Amit Kumar:** Sonia, thank you. But the EBITDA, excluding the extraordinary loss, which I was explaining about the notional loss, which we have to book due to the change in the estimates, excluding that, we were already EBITDA positive. And we are expecting, as per the market, there is expectation of further dip of 25 bps in the interest rates, in the bank rates.
- Apart from that, if nothing, go beyond changing the estimates for the revenues and expenses. Expenses are mostly fixed for a trust. So, we expect this figure to become positive by end of FY26.
- Sonia Keswani:** Okay, sir. So, thank you. That is all. That were my questions. Thank you very much.
- Moderator:** Thank you. The next question is on the line of Nidhi from ICICI Securities. Please go ahead.
- Nidhi:** Thank you so much for taking my question. Your debt to AUM has crossed the 49% mark. Is this a breach as per the InvIT regulations? If so, what steps will be taken to rectify?
- Manish Satnaliwala:** Yes. Thanks, Nidhi. So, under the InvIT regulation, you should be within 49%. But this breach is mainly on account of the change in the bank rates, which is the market movement. So, we have already committed to the trustee and we have six months' timeline to rectify this.
- So, as we are going to add three new assets in this Q3 FY26 we will be going to resize our debt accordingly so that our AUM debt comes basically within the 49% limit. That's a temporary breach. It's not a permanent breach.
- Nidhi:** Are you looking to acquire any assets from third party other than your sponsor?
- Manish Satnaliwala:** Yes. So, that is always a part of our strategy. One is a sponsor ROFO pipeline, which is already very strong. But beyond that, we are also looking for third-party assets. As and when we get a lucrative deal or something which is value-accretive, we will definitely be pursuing that.

- Nidhi:** Alright. So, when these assets do come up for bidding, how are you looking to fund these acquisitions? And what would be your aspirations, for how the debt could be as a percentage of the AUM?
- Manish Satnaliwala:** So, I think it's a long-term strategy. So, we would like to keep our debt leverage basically around 49%. And this year, we are looking for fundraise to fund these three assets. So, it will be a combination of a debt plus equity. But next year, when we are looking at an asset, it can be a possibility that we do only through 100% debt acquisition, because we have the probability to go to 70%, which is what regulation allows us.
- So, we can take our debt to around 60%. And that headroom will allow us to buy the assets without any further fundraise. But this is now a discussion point. That strategy may change, but FY27, that is our thought process at this point of time.
- Nidhi:** Thank you so much for taking my questions.
- Moderator:** Thank you. The next question is from the line of Anupam Jain, an individual investor. Please go ahead.
- Anupam Jain:** Hi. Good afternoon, everyone. So, firstly, I would like to thank you for giving me this opportunity. I have two set of questions. First one is, so as you mentioned that we are planning to add three assets during FY26. So, could you please share the expected IRR for these acquisitions?
- Manish Satnaliwala:** Thanks, Anupam. So, these will be market linked driven. But I can give you a ballpark number, it will be something between 11% to 11.5%.
- Anupam Jain:** So, the second question is, how do you intend to finance these acquisitions? So, will they be funded by entirely through debt or internal accruals?
- Manish Satnaliwala:** So, Anupam, we don't have a headroom for the debt piece of it. I think so just nidhi spoke to me. So, we will be doing a fundraise. It will be a PREP plus QIP kind of a scenario. So, it will be partly funded by the equity and the debt will be refinanced after resizing.
- Anupam Jain:** Okay. Clear. Thank you so much for taking my questions. Thank you.
- Moderator:** Thank you. The next question is from the line of Gautam, an individual investor. Please go ahead.
- Gautam:** Hi, sir. Just want to understand how the equity fundraise size would be like and what is the DPU dilution expected, if possible?
- Manish Satnaliwala:** Thanks, Gautam. So the fundraise will be something around say Rs. 900 crores that we are anticipating and there will be some partly that sponsor will take units also. So, it will be a combination of units plus the sponsor units plus a Rs. 900 crores fundraise. And DPU will be value-accretive in any case for the existing investors. So, there will be an incremental value addition. So, the DPU will be value-accretive on that part of it.

- Gautam:** Got it, sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Jayesh Gandhi from Baroda BNP Paribas Asset Management. Please go ahead.
- Jayesh Gandhi:** Hello. The question I have is that on this, on the existing book assets that you own, what is the payout or dividend per unit that you can sustain for next few years?
- Manish Satnaliwala:** So, HAM asset has a very predictable and stable cash flows. So, we are hoping that the kind of DPU that we are maintaining now, it should be able to survive for three to four years at least.
- Jayesh Gandhi:** Okay. And your object is to add new assets so that you can sustain that for a longer period of time. Is that what you are looking at?
- Manish Satnaliwala:** Yes. So, we are looking at a double-digit kind of a return, for the longest period of time. And if we keep on adding HAM assets. So, you can expect a double-digit return for a longer period of time.
- Jayesh Gandhi:** So, every year you would be looking, because I am seeing a presentation, you are talking about asset growth up to 11,000 crores. So, every year you would be adding two assets or two, three assets?
- Manish Satnaliwala:** Yes. So, as per our document that we have filed there are 17 ROFO assets from sponsor. So, that gives us a headroom for next four years of growth. We are not even counting the third-party assets which are yet to be acquired. So, I think that the next four years growth is already captured in our document. And as we get the opportunity to add third-party assets, that will be an incremental part of it.
- Jayesh Gandhi:** I understand that. I guess what I was trying to get is how do you bring that equity for these new assets? Because while you may have equity for next one year, but how do you add those assets in the subsequent years?
- Manish Satnaliwala:** Yes. So, to answer this question, we are looking at adding equity this year of Rs. 900 crores. The next acquisition which will happen next year, we may fund it through debt, because we get the headroom of 70%. So, we will take the debt to around 60% and we can do the acquisition next year through the debt part of it.
- Then again, the third year we can come with an equity part of it. By that time, we have demonstrated in the market with our quarterly guidance and everything. So, equity should not be a challenge in terms of raising for the market.
- Jayesh Gandhi:** No, no, I understand. So, basically you would be doing equity raise once every two years or something like that.
- Manish Satnaliwala:** Typically, it looks like as of now. But in case we get some better asset next year and the investors are ready for that; we can do it next year also. So, it's a very dynamic market. You understand.

- Jayesh Gandhi:** Yes, sir. Thanks for the feedback and all the very best.
- Moderator:** Thank you. The next question is from the line of Gautam, an individual investor. Please go ahead.
- Gautam:** Hello, sir. Just a small clarification I wanted. If this Rs. 900 crores equity fundraise will happen, and the remaining out of the Rs. 2,500 crores of assets to be acquired, how will the remaining part be funded, especially as there is no debt headroom left?
- Manish Satnaliwala:** So, Gautam, there are three parts to the Rs. 2,500 crores. For example, we take a number of Rs. 2,500 crores. One is the debt refinancing piece, which will be a part of it. Which we will be resizing the debt to come below 49%, say 45% to 46%.
- The balance part which is left is fundraise and sponsor which is taking the units. So, that portion will include both the things. It can be 50-50, it can be around 60-40, but Rs. 900 crores will be around the fundraise, and the balance portion will be a sponsor taking the unit against the equity that he is selling for the asset.
- Gautam:** Got it, sir. Thank you.
- Moderator:** Thank you. The next question is on the line of Anupam Jain, an individual investor. Please go ahead.
- Anupam Jain:** Thank you for the opportunity again, sir. So, when are you planning to add the BOT assets?
- Manish Satnaliwala:** So, that's a part of a long-term strategy. But, you know, it will take around a couple of years down the line to add the BOT toll assets.
- Anupam Jain:** Okay. Also, can you please give guidance for the next year DPU?
- Manish Satnaliwala:** So, we can give you next year in the April, to be honest with you, once the Board approves it.
- Anupam Jain:** Okay. Got it. Thank you.
- Moderator:** Thank you. The next question is from the line of Parthipan, an individual investor. Please go ahead.
- Parthipan:** Thank you for taking my question. I'd like to ask, with the current strategy of initial equity followed by debt and equity, will you be able to sustain this kind of distribution for the upcoming, let's say, 10 years or will it be a DPU accretive? That's my question.
- Manish Satnaliwala:** Sorry, I could not hear your question. Can you repeat it, please?
- Parthipan:** Sir, with this kind of strategy of equity raised, that is equity dilution followed by debt acquisition, will you be able to sustain the DPU for, let's say, 5 to 7 years or will it be DPU accretive?

- Manish Satnaliwala:** It will be a DPU accretive, Okay. I can't comment on 5 to 7 years, but definitely it will be DPU activity and value accretive to the unit holders.
- Parthipan:** Okay. Thank you. At least, will it be maintained, the DPU with equity dilution? No.
- Manish Satnaliwala:** So, your good name, sorry?
- Parthipan:** Parthipan
- Manish Satnaliwala:** Parthipan. So, we hope that it will be maintained but I can't give you a guidance next year of what it will be. But overall, if I look at it, our objective is to maintain or increase the DPU.
- Parthipan:** Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Gautam, an individual investor. Please go ahead.
- Gautam:** Hi, sir. I just want to clarify one doubt regarding the to be acquired assets. I think the Hasanpur highway is under construction. Has the PCOD happened? In the last update, it was under construction, I had noted. Is the PCOD over? And if so, what is the strategy? I mean, is it 80% within the threshold, the overall AUM threshold? How is it calculated?
- Manish Satnaliwala:** So, Gautam, actually, there are two packages of Hasan-Bakhtiyarpur. The package that you are referring to is a part of nine assets for which we have already applied for the completion certificate that had achieved the PCOD and was meeting the InvIT regulation guidelines of completed revenue generating assets, because we have already received the PCOD.
- The three assets that we are acquiring now, that includes one more package of Hasan-Bakhtiyarpur, and that also has got the PCOD, and it meets the InvIT guidelines of completed revenue generating assets.
- Gautam:** Sir, is it like two distributions have happened, then it is so, or even if the starting of distribution will be...
- Manish Satnaliwala:** No, so the law says that one year of operation. It doesn't specify two distributions or two annuities. So, we have to look from the day that we have got the PCOD, one year and we can put it in the InvIT.
- Gautam:** Got it, sir. And what is that 20% under construction, is it on the bid cost, is it on the AUM, how is it?
- Manish Satnaliwala:** 20% of?
- Gautam:** Under construction assets can be held in the books of the InvIT

Manish Satnaliwala: Yes, so for a public InvIT, Gautam, it is actually 80-20, but in 20%, also 10% can be under construction, and 10% can be in the liquid funds. So, it is 90-10, from that perspective. So, 10% of our AUM can be under construction assets.

Gautam: Got it, sir. Thank you.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Manish Satnaliwala: Thank you, everybody for the questions. Capital Infra Trust has had a strong start since the listing. We are well positioned for sustainable growth, backed by a robust portfolio, a strong sponsor, rooted financial management, and a clear vision.

We are committed to delivering consistent and superior yields to our shareholders, building long-term value, and contributing significantly to India's infrastructure development. Thank you all once again for joining the call and sparing your time and thank you very much.

Moderator: Thank you. On behalf of ICICI Securities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.