LETTER OF AWARD FOR THE PROJECT “FOUR - LANING OF SOLAPUR-BIJAPUR SECTION OF NATIONAL HIGHWAY, NH-13 (NEW NH-52) FROM KM 0.00 TO KM 110.542 (APPROXIMATE LENGTH 109.08 KM) IN THE STATE OF MAHARASHTRA AND KARNATAKA UNDER NATIONAL HIGHWAYS DEVELOPMENT PROJECT (NHDP) PHASE-III TO BE EXECUTED IN BUILD, OPERATE, TRANSFER (BOT) (TOLL) MODE ON DESIGN, BUILD, FINANCE, OPERATE AND TRANSFER (DBFOT) BASIS”

1. Award

The Company has on 22 November 2017 accepted the Letter of Award from the National Highways Authority of India (“NHAI”) for the project “Four - laning of Solapur-Bijapur section of National Highway, NH-13 (New NH-52) from km 0.00 to km 110.542 (approximate length 109.08 km) in the State of Maharashtra and Karnataka under National Highways Development Project (NHDP) Phase-III to be executed in Build, Operate, Transfer (BOT) (Toll) Mode on Design, Build, Finance, Operate and Transfer (DBFOT) Basis” (“the Project”).

The scope of work of the Project includes rehabilitation, upgradation and widening of the existing two (2) lane carriageway to four (4) lane standards with the construction of new flexible pavement, construction and/or rehabilitation of structures to cater for six (6) laning consisting of major and minor bridges, flyovers, railway overbridge, culverts, road intersections, interchanges, drains, two (2) toll plazas, the operation and maintenance thereof.

The total Project cost is estimated to be INR2,325 Crores (about RM1.493 billion). NHAI will provide a grant of INR367 Crores (about RM235.86 million) for the Project.

The concession period of the Project is 20 years including construction period of 30 months from financial closure. A special purpose vehicle will be incorporated solely for the purpose of domiciling the Project.

2. Financial effects

The Project is to be developed over a period of approximately 30 months from achievement of financial closure and is expected to be completed in 2021. The Project is not expected to have any significant effect on the earnings or net assets per share of the Company for the financial year ending 31 March 2018, but is expected to contribute positively to the future earnings of the Group.

3. Risks

The Project is subject to normal construction risk of materials price fluctuation, availability of land and skilled labour. However, with the past experiences and expertise of the Company in development of concession assets and construction projects, this risk could be mitigated.

4. Interests of Directors and major shareholders

None of the Directors or major shareholders of the Company, or persons connected with them, has any interest, direct or indirect, in the Project.

This announcement is dated 22 November 2017.