

**IRB InvIT Fund**  
**Earnings Conference Call – Edited Transcript**  
**October 30, 2020; 4 p.m.**

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**Moderator:** Ladies and gentlemen, welcome to the IRB InvIT Fund Call hosted by the company to discuss the financial results for Q2 FY21. We have with us on the call today Mr. Vinod Kumar Menon, Mr. Tushar Kawedia and Ms. Swapna Vengurlekar from IRB InvIT team. 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 the conference please signal an operator by pressing “\*” then “0” on your touchtone telephone. I would now request Vinod Kumar Menon to give you an overview of the significant development during the quarter. Over to you, sir.

**Management:** Thank you. Good evening to everyone. I would like to welcome all the investors and panelist on this call. Hope you have reviewed all the detailed numbers as well as the presentation by now. We are extremely pleased to witness and share a sharp recovery in our collections across the projects. For the month of September we have reported a growth on YoY basis as lockdown were lifted nationwide. In the initial slides 4 to 11 we have charted this out on monthly basis for each project as well as the portfolio as a whole. I would like to draw your attention to the movement of maroon lines in the chart representing monthly per day collections and you would notice that the month of September has seen a growth across all the project adding to over 8% YoY growth for the portfolio as a whole. This trend is strengthening further progressing into October and is expected to continue given the onset of the festive season as well as the recovery seen across the industries.

Another very important factor to note is the fact that for the quarter as a whole, the robust bounce back has been driven primarily by movement of passenger vehicles resulting in Q2 FY21 collections almost reaching the levels of Q2 FY20. So as commercial traffic also gains momentum in the coming month we expect H2 to be meaningfully stronger and thus help in regain the lost ground. Relaxation to the smaller mining activities in the state of Rajasthan has resulted in the collections of Jaipur – Deoli project to grow 10% YoY for the quarter as a whole even when the lockdown was not fully lifted for the part of the quarter.

Coming quarters are expected to be even stronger for the project once the complete ban is lifted by the honorable Supreme Court. We have also received the intimation from NHAI certifying an extension of 460 days for Surat–Dahisar project which will now end on 25<sup>th</sup> May 2022 as against the original concession expiry date of 19 February 2021. We thus have a clear visibility for the largest and the meatiest project in our portfolio adding strength to subsequent cash flows. Overall, on revenue front we have been pleased to note all these developments as well as the continuing growth trend. On the cost side, we have been able to see reduction in the average interest rate to ~7.5% from ~8.15% on outstanding loan of approximately 1,500 crores effecting saving of ~ Rs. 9 crore annually.

Additionally, we have also availed moratorium as per the RBI circular dated 27<sup>th</sup> March, 2020 and 22<sup>nd</sup> May 2020 which has supported our cash flows during such difficult times. We have also applied for COVID loan as per NHA circular dated 26<sup>th</sup> May 2020 in the eligible project SPVs which will further support our cash flow requirements going forward. Considering the extension of concession period notified by the ministry of finance we would likely have NIL or zero impact for COVID led shutdown on the NPV of cash flows from the portfolio.

With this meaningful bounce back in the collections we will be distributing Rs. 2 per unit for Q2 FY21 and expect further recovery in the coming quarters. I would now request Mr. Tushar Kawedia to take you through the financial performance for the quarter. Over to you Tushar

**Management:**

Thank you sir. I will present the financial analysis for Q2 FY21 versus Q2 FY20. The total consolidated income for quarter ended Q2 FY21 decreased to Rs. 296 crores from Rs. 301 crores in Q2 FY20. The consolidated toll revenues for quarter ended Q2 FY21 decreased to Rs. 288 crores from Rs. 293 crores in Q2 FY20. EBITDA for quarter ended Q2 FY21 decreased to Rs. 239 crores from Rs. 243 crores in Q2 FY20. Interest cost (including the interest on premium deferment) for quarter ended Q2 FY21 decreased to Rs. 37 crores from Rs. 42 crores in Q2 FY20. Depreciation for quarter ended Q2 FY21 decreased to Rs. 153 crores from Rs. 170 crores in Q2 FY20. The PAT for quarter ended Q2 FY21 stood at Rs. 49 crores as compared to Rs. 30 crores in Q2 FY20. Now I will request moderator to open the session for question and answers.

**Moderator:**

Thank you very much sir. Ladies and gentlemen, we will now begin the question and answer session. Our first question is from the line of Alok Deora from Yes Securities. Please go ahead.

**Alok Deora:**

Just had couple of questions one was that we have seen revenue being almost largely flat and even EBITDA being flat, however the payout has been around 20% lower than what we had distributed same period last year, so any particular reason have we sort of kept some for reserve if you could just throw some light on that?

**Management:**

Yes, Alok. We have distributed close to 91% only considering the COVID scenario if the situation improves further then definitely we can look forward to paying a higher payout in Q3 and Q4 depending upon the toll numbers.

**Alok Deora:**

And the extension which we mentioned about the 400 plus days which we have received in one of the project, so have you received this three months extension which was primarily due to COVID for the other projects as well, what is the status there?

**Management:**

For the other projects as per the circular every month we are giving the analysis for the period increased based on the lower toll collections. So as soon as our toll collection reaches beyond 90% this will stop and the minimum period of 90 days will be awarded to all these projects.

- Alok Deora:** And just one last question so in the monthly sort of toll collection which you have given there is a YoY increase in the last month of the quarter so assuming there is a YoY increase in the whole of Q3 as well as in Q4, so do we see the payout moving back towards the Rs. 3 quarterly run rate if you could just throw some light, what is the outlook there in the near to medium term?
- Management:** Definitely Alok if the growth comes back and if we are getting 10% to 11% revenue growth the payout should be at earlier level.
- Moderator:** Thank you. Our next question is from the line of Mohit Kumar from IDFC Securities. Please go ahead.
- Mohit Kumar:** Two questions sir firstly on this, of course the number has been very good for the September month, how is the traffic behaving in the month of October and also can you comment on the passenger vehicle growth and MAV growth for the October month?
- Management:** For the month of October we are just seeing the similar kind of trend what we have seen in September, the passenger vehicle has improved significantly and that is being continuing even for the month of October, we are also seeing improvement in the commercial numbers due to the festive season around. So the growth is still continuing the way it showed in the month of September.
- Mohit Kumar:** Can I expect a similar run rate compared to September?
- Management:** It is improving on the commercial front also because of the festive season.
- Mohit Kumar:** Secondly sir on the major maintenance expenses which are the projects lined up in this particular year and how much you have budgeted and is it that or are we trying to postpone some of the major maintenance to FY22 given the cash flow situation?
- Management:** Mohit with respect to the major maintenance we have carried out major maintenance in most of the projects in FY20 and some projects continuing for FY21 as well..
- Mohit Kumar:** In the valuation report which we publish I think the Jaipur – Deoli and Pathankot Amritsar where some part of major maintenance were supposed to have been FY21 and FY22?
- Management:** You are right what we have major maintenance in two of the projects for FY21, i.e. Pathankot and Jaipur-Deoli is continuing for this year as well but amount is not significant as it was in last year.
- Mohit Kumar:** And Jaipur – Deoli also?
- Management:** Yes Pathankot and Jaipur – Deoli also.

- Mohit Kumar:** As far extension is concerned for all the projects when we will get the complete clarity for the COVID period?
- Management:** I have answered earlier that all these projects are eligible for minimum 90 days extension as per the finance ministry circular. So every month we are giving our detailed calculations based on the lower toll collections for the extension. So till this date none of the projects has crossed 90 days, so minimum of 90 days will be applicable and we are almost reaching 90% full collection levels in most of the projects.
- Moderator:** Thank you. Our next question is from the line of Vibhor Singhal from Phillip Capital. Please go ahead.
- Vibhor Singhal:** Sir, my question is just on the moratorium that we are keeping for SPVs, so which are the SPVs for which we had taken moratorium under the COVID facility and how comfortable are we with the cash position. Current cash position in terms of repaying it back at the end of the financial year?
- Management:** Vibhor, I just want to tell you that this moratorium has been taken at the trust level and not at the SPV level. We have the loan only at the trust level and this moratorium was availed for that particular External loan at the trust level, whereas for all the SPVs, the loan is from the trust.. So again the moratorium which we have availed at the trust level wherein the lender has deferred the repayment of that particular moratorium and it will be paid at the end of the tenure of this particular loan as the last installment.
- Vibhor Singhal:** And when would that be sir the end period?
- Management:** Probably it is FY33.
- Vibhor Singhal:** So the moratorium availed that also been extended to beyond FY30?
- Management:** Yeah that is after the last installment was due.
- Moderator:** Thank you. Our next question is from the line of Sudhir Bheda from Right Time Consultancy. Please go ahead.
- Sudhir Bheda:** So total cash flow for the half year ended September is around 222 crores distributable cash flows. So now the situation is this Dahisar Surat is getting over by May '22 and IDAA also I think it is getting over by FY23. So 70% of the cash flow will go off from our book. So then how will you manage the things after '22 or maybe '23 that is my first question and next question is because of this reason alone I believe that we have seen massive erosion in our wealth actually so now today Rs. 37 there is a tremendous erosion in the wealth of investor, so I think that is a clarity which is not coming so for the distributable cash flow that how

things will be managed after '23, so if you can throw some light in detail so how things will be managed after '23 that will be a great help?

**Management:** First of all on the Surat Dahisar and Bharuch Surat what you said that it contributes almost 60%, 65% of the total NDCF. Here we just want to give you some clarification that Surat Dahisar project you are comparing the gross toll collection whereas there we have revenue share of almost 50%. So these projects both of them taken together comprises 30% to 40% of the total NDCF, that is one thing and the second thing what you talked about is the improvement in the NDCF way forward. So as a strategy we have two years left for these both projects, and during this period we will be evaluating some new assets for acquisition. We will come back to you on any acquisitions whenever it reaches to the level of bringing in for the approval of the unit holders.

**Management:** Further Just to add when we did the IPO also and even if you look at the valuation report every investor was aware that these assets will go away in that financial year and in spite of the valuation was showing around Rs. 11, Rs. 12 payouts per annum on an average basis. So basically, that was resulting in an IRR of 12%. Though these projects will go out, but still on a current projects, once projects start picking up then again the payout goes up to even Rs. 15, Rs. 20 in some years post FY30 even if no assets are acquired.

**Sudhir Bheda:** The thing is you are right that investors were aware, but the projection which are given in the valuation report are way off the mark, if you really see the valuation report and if you compare with the actual performance and actual collection it is way off the mark and hence market prices are not reflecting the value of what is given in the valuation report, so that is why there is a massive erosion of investor's wealth?

**Management:** Sir, we differ from your view because we have in last few presentations, we have provided a comparison between our assets with our adjacent road corridors also. We have demonstrated the growth in our asset was comparable or higher than the adjacent road stage and secondly this COVID scenario and there were certain other disruptions which is beyond our control.

**Sudhir Bheda:** That is an unprecedented situation and sir one more request from my side if you can give the balance sheet in the annual report of all the SPVs that would be very helpful for us?

**Management:** We have noted your request and we will come back to you.

**Moderator:** Thank you. We will take a next question from the line of Ramana Gupta from Wealth First Finserv. Please go ahead.

**Ramana Gupta:** I just want to concentrate on Slide #20 and slide 21 of your presentation while FY20 and FY21 numbers are almost similar when it comes to profit and then the cash profit when it comes to

NDCF there is a major difference I think that difference is coming from the first row which is cash flow received from projects in the form of interest around 70 crores does it mean that this is actually due from SPVs and then not received by the trust I am looking from the trust point of view?

**Management:** Yes you are right.

**Ramana Gupta:** So this is not actually a loss for the trust, but it is only deferment of the trust?

**Management:** Yes you are right.

**Ramana Gupta:** In the same way are we getting any positive effect of our loan moratorium from SBI?

**Management:** Yes we have just discussed that they have given us the moratorium and interest portion will be capitalized and will be paid at the last installment of the loan tenure and secondly the rate has also been reduced from ~8.15% to close to ~7.5% on an average basis.

**Ramana Gupta:** I am again reiterating this is only a postponement of cash flows from the SPVs, but not actually loss to the unit holder or either to the customer side?

**Management:** Yes you are right.

**Moderator:** Thank you. Our next question is from the line of Jiten Rushi from Axis Capital. Please go ahead.

**Jiten Rushi:** Sir one question on the ECLGS facility have we availed that at the trust level?

**Management:** Which facility, come back?

**Jiten Rushi:** Extended credit guarantee scheme there was this ECL and it was only 20% on the working capital loan, have you availed that facility?

**Management:** Jiten, we do not have any working capital facility at trust level because as in the toll business you do not require any working capital. We have only Rs. 1,500 crores term loan, where we have taken a moratorium of six months and where Tushar has already explained that the same will be paid along with the last installment.

**Jiten Rushi:** So there is no working capital loan additional taken what I understand correctly?

**Management:** Yes.

- Jiten Rushi:** Because I was confused because this moratorium interest actually it was supposed to be paid between September to March this year, but as you said in the previous question that you will be paying at the end of the tenure 2030 or something like that?
- Management:** Yes that is that is agreed with the lender.
- Jiten Rushi:** Whether have we given any moratorium from the trust to the SPV intercompany payment of interest or how it works like if a trust has taken the moratorium whether the benefit has been passed on to the SPV or we have taken the interest from the SPV?
- Management:** Wherever the cash flow was available with the SPV we have taken interest because SPV do not require moratorium if they have cash flow wherever there was shortfall to that extent deferment of payment is extended.
- Jiten Rushi:** One last question on the extension of so as you said average daily traffic if it is not reaching 90% level you will get the extension so this extension can be maximum of 90 days only right sir?
- Management:** No, maximum can be 180 days minimum 90 days.
- Moderator:** Thank you. Our next question is from the line of Pradyumn Dalmia from **Lansdowne** Investments. Please go ahead.
- Pradyumn Dalmia:** I had a question from a long term investor point of view and I think since we have eluded to this a short while earlier is in terms of your pipeline of project that are to be added especially in light of two key projects going out of our portfolio over the next couple of years, so just wanted to understand that if you can may be explain further what plans or pipeline do you have in mind or anything that you are currently working on and also what impact that is likely to have one on the NDCF, but also I guess they are on boarding any new project will have an impact on the debt level of the trust we will have to leverage more and more debt will be added, is that understanding correct?
- Management:** Yes so you are right that acquisition will happen through a debt and plus maybe some initial equity contribution would be required to acquire the asset that is the one thing. You are right that the assets will be purchased from debt. Now coming to the point where you asked about the acquisition of asset we are evaluating couple of assets and those are all operational assets having seen some five to six years of operational life. We are evaluating these assets that have come up to us directly from the entrepreneur and also some from the lender side. So once we reached to a level where these I have reached to a serious discussion at the deal level that time we will come to the unit holder.

- Pradyumn Dalmia:** Okay but you are confident that in the next 12 to 18 months we will be adding at least one if not more assets to our portfolio?
- Management:** Yes, we are definitely determined to add some couple of assets to the trust before the concession period end of these two assets.
- Pradyumn Dalmia:** Quick second question as far as the NDCF is concerned you mentioned a while back that you know that it can also go up to previous Rs. 12 level and even beyond that, so what is the expected time horizon by which it will touch the originally anticipated Rs. 12 and then what is the likelihood and by when it is likely to go beyond that?
- Management:** So if you see that whenever we had projected a Rs. 12 kind of a payout, there we had made an assumption of 10% to 11% kind of revenue growth. So presently what we are talking is when we reach to that level today we have reached to 80%-90% level of the last year collection and once we cross that and reach to 110% that time we will be able to distribute Rs. 11 to Rs. 12 kind of payout. So we will see once we reach to that level we will start making the payouts the way we did in earlier years.
- Moderator:** Thank you. The next question is from the line of Gagan Vijan from Wealth First Finserv. Please go ahead.
- Gagan Vijan:** Just to give some number into perspective for the NDCF, your June quarter end we know things are negatively affected due to COVID, just wanted to understand one thing for the March quarter end so basically the revenues were at par with the quarter-on-quarter movement yet we are able to see that there was no receipt from the SPV towards repayment of the debt, so can you just throw some light on that front?
- Management:** So Gagan if you see first we are trying to pay the interest portion, so once the interest portion is recovered thereafter the balance amount is utilized for repayment of loan. As this loans are repaid on a yearly basis once the cash flow is available that is upstream to the trust against the repayment of loan. So this when we say that the repayment happens it happens on a yearly basis for a particular SPV as and when cash is available.
- Gagan Vijan:** I was just contrasting this with the previous quarters wherein on an average the repayment on the debt front was somewhere around 60 odd crores, so I was just looking at the last two quarters there were no repayment on the debt front?
- Management:** Yeah because if you see the collections were low so first the interest was recovered and once this interest is recovered, we will start collecting the repayment as well.
- Gagan Vijan:** Next question is basically do you see if at all in future buyback acting as a catalyst for the price correction?

- Management:** We have been continuously discussing with SEBI on this front and we have been representing at all forums as well. So once we get some clarity from their side we will let you know the timelines.
- Gagan Vijan:** Okay just last one thing any updates on the pending arbitration on the NHAI?
- Management:** Which arbitration?
- Gagan Vijan:** Last time we had reported arbitration, I suppose it was on account of the mining ban so it was somewhere upward something at around 20 odd crores?
- Management:** That was a claim which we filed which we discussed on the mining ban for the Jaipur – Deoli project. There we discussed in the last quarter call that since the project was having its target traffic due in this particular period the survey was done and we were eligible for the maximum extension to the concession period which was even accepted by the IE also in his representation. So by this there will be no additional claim because the claim can be given only in the one form which they have given in the extension form due to target traffic clause.
- Moderator:** Thank you. We will take the next question from the line of Sunil Sarda from Systematix Shares. Please go ahead.
- Sunil Sarda:** So I think one is that I must complement you on two, three issues because I have been always telling you on certain issues that you should better handle, so in terms of that you give the presentation and result on time so that anybody want to analyze they could analyze number one. Number two I think quality of presentation is better because for a change it is different this time so you do not feel monotonous and third is the interest rates being coming down from 8.1 or 8.2% that extent to ~7.5%. So I think three are highly appreciative besides the toll collection numbers which are already moving to the Pre COVID levels. My query is basically in your Surat–Dahisar project when he did a valuation he took August end 2022 as a period because I think that was the three months that COVID extension period was considered so you need to please clarify me on that number one. Number two on the fast track collection through fast track I read somewhere that the government is planning to make it mandatory kind of a 100% from first January so just want to understand the update on that and plus what is the percentage of the collection that is currently happening by way of digital and third the compensations which you should have asked for because they gave you extension, extension for loss of this thing if your revenues you completely lost 1,000 revenue so they should have ideally also done a reimbursement of the expense not the loan 25 days, 26 days you lost plus initially there was a lower collection so what I understand if there are force majeure like this then there has to be reimbursement so are any claims or any demands that you raise with the NHAI which are still pending and last query is on the institutional holding I have been noticing that it has been coming down so what is happening that though with the large investor it is still 67%, but if holding goes to the institution it really goes through to the

strong hand if it comes in the hand of retail sometime you find that somebody have been most of the investors have been raising queries where the price has been deteriorating and it is becoming more of a trading kind of a thing and people have been losing. So I think what are your efforts to go and talk to institution university to make sure what is the better product than which can offer 15% or 20% when the current interest rate is 5%, 4.5% any other incentive that they have. So these are my queries I think if you can kindly list down on this year?

**Management:**

Actually the first question was on Surat–Dahisar right August end 2022 which we have mentioned at the time of Valuation. As of now what we have received from NHAI is 460 days of extension which is including 90 days which is the minimum of COVID. So this is what we have got because the target traffic extension has been calculated by IE and was also monitored by NHAI in which what is the term of the concession agreement day there are definite date on which these surveys have to happen that definite month. So this was December month in which the surveys has to happen, but due to several reasons in the first target traffic one year prior to the target traffic target date on the target date and one year after the target date these are the three surveys to be done. So for two of these surveys did not happen in the month of December, but it got extended beyond December say March or April. Hence the calculation deferred because even if for small percentage even a 1% of traffic goes either towards the positive side or the negative side it affects high time in the concession period. So that is how it has happened. There has been a difference in the percentage of traffic because surveys were done at a later date. So, the target traffic induced concession period increase has been calculated somewhere around 350 odd days and plus 90 that is 440 plus 20 odd days for some other days, So 460 days has been given. Regarding compensation on account of political event which you are mentioning political event so that we have already filed claim in all the projects. However, the NHAI has not come back on that because they are still considering it as a non-political event, but we are tackling it from a different front from the federations like NHPF and the other federation. We are already in advance stage. So we have raised our claims, but we are following up on that and with regard to fast track penetration we have already reached 70%, 75% with respect to 100% fast track from 1<sup>st</sup> of January we are also hearing the same hope this time government do not extend the timeline then definitely as we have already reached from 1% less than 1% to 70%, 75% within a span of one and half years then definitely the penetration should reach to more than 95%, 98% if government basically does not extend the timeline. As far as institutional holding is concerned definitely we have seen some of the players like we had one Australian fund there basically they were exiting from India they have sold their holding in Invit. Apart from that we have not seen any major selling institutional side also. So, I think that was the general change in the holding and this was all from our side if we have missed anything please let us know.

**Moderator:**

Thank you. Our next question is from the line of Rushabh Dalal from Ratilal Share and Stocks. Please go ahead.

**Rushabh Dalal:** I just had two questions one is pertaining to Surat Dahisar and Bharuch Surat only, so the quantum of net distributable cash flows for these projects as a percentage of total is close to almost 70% so once these projects are gone and you say that we are going to acquire a new project so that will be through debt only, so what sort of impact will it have on the current point to a debt equity ratio and what sort of impact can we expect on the net distributable cash flows given that significant portion of the project is gone and the new project that you say that we are going to acquire if you can give us some sort of timeline as to which quarter can we expect the new project to come and whether will it be a road project only or do we also plan to go into some other area?

**Management:** So your first question on Surat Dahisar and Bharuch Surat which I have already answered earlier also that this projects contributes roughly 30% to 35% to the NDCF because the Surat Dahisar project has the revenue share contribution almost 50% of his collection. So by reducing that we will see they contribute between range 30% to 40%. Secondly on the NDCF front how it will improve definitely it will come down once these projects are out, but gradually it will improve once the other projects also get matured. So that is the one thing which we have already discussed that Surat Dahisar and Bharuch Surat goes out the other projects will mature in couple of years and then we will come back to the same level of distribution what we have seen earlier. Now as a strategy when you say that what is our target to acquire assets we have been continuously evaluating operational assets now since last couple of weeks we have been receiving lot of request from the lender side or for such opportunities. So we are evaluating those assets and as a target definitely we will try our best to acquire couple of assets before these assets goes out.

**Rushabh Dalal:** No but if you can give some impact on I mean you will be raising more debt so what sort of impact will it have on the current debt equity ratio and if you can give us some timeline as to when will such an acquisition actually come into play?

**Management:** So when you say we will be acquiring the assets through debt definitely an acquisition with a debt which we can borrow has a quite attractive rate or low rate today being AAA rated funds. So by that count the debt cost should be lower and the IRR which we are looking is in the range of 13% to 14% of returns on the project. So if you see there would be clear arbitrage of 500 to 600 bps to give an upside as a payout to the unit holders. So that is something which we are considering as a benchmark or as an assumption for acquiring any assets so that will be our strategy to acquire new assets.

**Rushabh Dalal:** No, but regarding the timeline by what quarter we can expect that an asset will actually come into our portfolio?

**Management:** Sir we are evaluating the asset and we expect that within a year we will add the asset to the Invit and anywhere we will be buying the operational asset so those will not have any bearing on the rating of the asset this is what we believe.

**Moderator:** Thank you. Our next question is from the line of Bijal Bakhai from Amit Jasani Financial Services. Please go ahead.

**Bijal Bakhai:** What I wanted to know what is happening for the SEBI front that we wanted to initiate and have we got further on that, that is one. Second why we are we not able to actually go on a road show and attract secondary market buyers for our unit I mean the existing unit holders have suffered massive losses cannot we look at that where you can get some institutional holders to buy because I do not take the yield as a problem. The future seems uncertain in terms of because the price is down even at these attractive yields people are not ready to believe that the price can come up. I think it needs a serious amount of soul searching from the management team that how can have something that is yielding 10%, 12% mark return on capital only and discount so much value quarter-on-quarter. I mean what is stopping us from actually going on a road show and presenting ourselves as a good yield returning asset?

**Management:** So I will answer your two questions. First is on the buyback which we have discussed that we have already representing SEBI for various forums on this particular aspect of buyback guidelines we are awaiting their response they are also taking their own time to evaluate because this will be very new for a trust or InvIT to have buyback regulation. So they are taking their time and once we get a confirmation or they are coming out with this guidelines we will update you on the same and we will try to use that particular way of distribution as a part of our strategy against our capital reduction. Second you talked about the road shows we have been in discussions with various investors quite long time. Today if you see the institutional investors are almost 65% to 70%. So as a road show suggestion we are in continuous touch with all the institutional investors or the large investors even on the retail side and we have been discussing on the opportunity available today. So once we reach to a level that they are confident they will look as an opportunity so that is something we have been doing since long and this is not something very new for us. Thirdly you said about the dip in the price that is the market perception we cannot comment on the dip on the price. However if you see the distribution we had not missed out any distributions and have been doing as per the expectations there are various external factors or exceptional factors which affect our progress and we have been updating that as well to the investor. So that is all on the pricing part which we can comment.

**Moderator:** Thank you. We will take our next question from the line of Mohit Kumar from IDFC Securities. Please go ahead.

**Mohit Kumar:** So my question is on traffic once again I am trying to figure out whether the collection has improved month on month from September to October and have you seen the MAV multi axle vehicle traffic moving up from September because I believe that it is still bad in obviously in our Surat–Dahisar and Bharuch Surat projected that is the first question?

- Management:** Mohit with respect to the multi axle vehicle if you look at the category we may not have seen a significant increase in that particular vehicle reason being Volvo buses are not running as of now and they are counted under multi axle vehicle so then definitely as the passenger vehicle or business are not allowed.
- Mohit Kumar:** You are saying that this is nothing to do with commercial traffic it has to do with passenger traffic itself?
- Management:** As of now the intercity or intracity buses private buses are running less.
- Mohit Kumar:** Secondly sir one clarification on the tariff revision for the Surat–Dahisar is around 1.67 while the other two projects is around 0.42% is the formula not same for Surat–Dahisar and the other two projects?
- Management:** Formula is same in one case it has to be average for the year and I think other two projects it is on a particular date.
- Mohit Kumar:** 100% WIP is applicable this is based on 100% WPI because WPI revision is not much that is why the percentage for the tariff revision seems to be lesser in these projects whereas in the other project there is a 3%?
- Management:** Mohit for the Surat–Dahisar it is average of the year and for the other two projects, it is the on a particular date and that is why the number is lower for two projects.
- Moderator:** Thank you. I would now like to hand the floor back to Mr Menon for closing comments. Over to you, sir.
- Management:** I extent our thanks to all the investors and analysts on the call today evening. We had some fruitful discussion and look forward to such discussion for the future. Take care.
- Moderator:** Thank you members of the management. Ladies and gentlemen that concludes this conference for today. We thank you for your participation and for using Research bytes. You may please disconnect your lines.