



Company Overview

The Citius Transnet Investment Trust is a transport sector-focused infrastructure investment trust (the Trust), established with the objective of acquiring, managing, and investing in a portfolio of transport infrastructure assets, including roads, in India. The Trust was settled through a trust deed by its sponsor and was registered as an InvIT with Securities and Exchange Board of India on August 1, 2025, in accordance with the provisions of the InvIT Regulations. The sponsor of the Trust is Epic TransNet Infrastructure Private Limited (the "Sponsor"). The sponsor is wholly owned by schemes of the Infrastructure Yield Trust, namely Infrastructure Yield Plus II, Infrastructure Yield Plus IIA and India Infrastructure Yield Plus II, an alternative investment fund managed by EAAA India Alternatives Limited (EAAA). As of March 31, 2025, EAAA managed three out of the 16 funds focused on infrastructure investments and ranked third among infrastructure investment managers by total assets under management (AUM), according to a CRISIL report. EAAA operates a diversified, multi-strategy platform across large, under-penetrated and fast-growing alternative asset classes, with a focus on providing income and yield solutions to a diversified client base, including global pension funds, insurance companies and ultra-high net worth individuals. During FY25, toll collections stood at ~Rs. 15,632.3 million, while annuity revenues were ~Rs. 3,362.0 million, contributing 82.3% and 17.7% of cash receipts, respectively, reflecting a balanced revenue mix. The portfolio combines toll, annuity, and HAM assets, providing a mix of growth and stability, with toll assets benefiting from economic activity and inflation-linked revisions, while annuity and HAM assets ensure predictable cash flows. The traffic profile is well balanced, with commercial vehicles contributing ~62.2% of PCU mix and ~74.0% of toll revenues, supporting resilience given the relatively lower volatility of freight traffic.

Objects of the issue

The company proposes to utilise net proceeds from the issue towards the following objects:

- ⇒ Partial or full acquisition (or as applicable, redemption) of securities of a) SRPL; and b) certain identified Project SPVs namely TEL, JSEL, Dhola and Dibang; and
- ⇒ General expenses.

Investment Rationale

Diversified, mature portfolio with strong growth visibility through ROFO pipeline

The Citius Transnet Investment Trust benefits from a large and well-dispersed portfolio of 10 Project SPVs, spanning ~3,406.7 lane-kilometers across nine states, with a strong operational track record and significant residual concession life. The portfolio comprises a balanced mix of seven toll and three annuity assets, contributing 82.3% and 17.7% of cash revenues, respectively, and has scaled materially over time with asset size increasing more than 9x between FY21 and FY25. The assets are relatively mature, with toll roads demonstrating an average operational history of over 10.1 years and a residual concession life of ~12.9 years, providing strong visibility on cash flows. In addition, portfolio concentration risk remains moderate, with the largest asset contributing ~26.1% of total enterprise value, while traffic growth has remained resilient, with AUM-weighted PCU growth of 7.1% between FY23-25. This strong base portfolio is complemented by a visible and sizeable growth pipeline through 11 Identified ROFO Assets under NHA concessions, aggregating ~2,366.8 lane-kilometers across six states. Of these, five assets are already operational and held by the EAAA platform, while six are under acquisition, providing near to medium-term expansion opportunities. In the event of acquisition of all ROFO assets, the portfolio could scale to ~5,773.5 lane-kilometers across 21 assets, significantly enhancing diversification and scale. Notably, these ROFO assets are primarily HAM (Hybrid Annuity Model) projects, which provide stable and predictable cash flows with limited traffic risk, thereby improving the overall revenue mix. The combination of a mature, cash-generating base portfolio and a well-defined acquisition pipeline provides strong visibility on future growth while maintaining stability in cash flows.

Issue Details

Offer Period	17th Apr. 2026 - 21st Apr. 2026
Price Band	Rs. 99 to Rs. 100
Listing	BSE & NSE
Issue Size (no. of shares in mn)	110.5
Issue Size (Rs. in bn)	11.1

Issue Structure

QIB	75%
NII	25%
BRLM	Axis Capital Limited, Ambit Private Limited, ICICI Securities Limited

Registrar	KFin Technologies Limited
-----------	---------------------------

Citius Transnet Investment Trust

Strategically diversified asset base with de-risked revenue profile supporting stable cash flows

The Citius Transnet Investment Trust benefits from strategically located assets across geographically diversified clusters, positioned along key economic corridors in states such as Karnataka, Telangana, Odisha, Gujarat, Kerala and Haryana. The portfolio exhibits strong geographic dispersion, with a dispersion score of 71.0%, and is well aligned with economically strong regions, with ~63.2% of toll collections derived from top GST and per capita NSDP states and ~56.1% from top GSDP states. This positioning enables the Trust to benefit from sustained industrial activity, consumption demand and logistics movement, further supported by a diversified commodity mix across sectors such as construction materials, iron and steel, and logistics. Additionally, the traffic profile remains well balanced, with commercial vehicles contributing ~62.2% of PCU mix and ~74.0% of toll revenues, providing resilience given the relatively lower volatility of freight traffic. This strong asset positioning is complemented by a de-risked revenue profile, with a mix of toll and annuity assets contributing 82.3% and 17.7% of cash flows, respectively. While toll assets provide growth linked to economic activity and traffic expansion, annuity assets ensure stable and predictable revenues through fixed payments from government-backed counterparties such as National Highways Authority of India and the Ministry of Road Transport and Highways, thereby minimizing counterparty risk. The annuity portfolio has demonstrated a consistent track record of timely payments, further strengthening cash flow visibility. Overall, the combination of strategic asset location, diversified traffic and commodity exposure, and a balanced revenue mix supports stable cash generation.

Valuation

Citius Transnet Investment Trust is a transport infrastructure-focused InvIT with a diversified portfolio of 10 road assets comprising seven toll and three annuity projects, aggregating ~3,406.7 lane-kilometers across nine states. The business model offers a balanced mix of growth and stability, with toll assets contributing 82.3% of cash flows and benefiting from economic activity and inflation-linked tariff revisions, while annuity assets provide predictable, government-backed revenues. The portfolio is relatively mature, with a long operational history and residual concession life, supporting visibility of cash flows. Additionally, the asset base benefits from a favourable traffic mix, with commercial vehicles contributing ~74.0% of toll revenues, enhancing resilience across economic cycles. The Trust is supported by the EAAA platform, which brings strong asset acquisition capabilities and provides a visible growth pipeline through ROFO assets, enabling scalable expansion. Strategically, the focus remains on acquiring operational and de-risked assets, maintaining an optimal capital structure, and leveraging technology-driven O&M practices to enhance efficiency. From a macro perspective, India's infrastructure sector is witnessing strong tailwinds, with total investments expected to reach ~Rs. 93.0 trillion over FY2025-30 and transport infrastructure attracting ~Rs. 42.0–45.0 trillion, with roads accounting for the largest share. Supported by robust GDP growth, increasing logistics demand and government-led asset monetization, the sector offers strong long-term growth visibility. On the financial front, despite reporting accounting losses across periods, the Trust continues to generate strong and stable operating cash flows, with cash flow from operations at ~Rs. 10,450 million in FY25 and ~Rs. 7,820 million in 9MFY26. The underlying cash-generating ability of the portfolio remains robust, supporting steady net distributable cash flows (NDCF) and ensuring the Trust's ability to maintain consistent distributions to unitholders. **Overall, the Trust presents a stable yield-oriented investment opportunity backed by predictable cash flows, diversified assets, and a visible growth pipeline, and is well positioned to deliver consistent distributions with moderate growth potential.**

Key Risks:

- ⇒ The Trust and the Investment Manager have no operating track record and may not be able to operate business successfully, achieve business objectives or generate sufficient cash flows to make or sustain distributions.
- ⇒ The Trust has incurred losses before tax amounting to Rs. 4,155.3 million, Rs. 7,381.4 million and Rs. 6,338.3 million in Financial Years 2025, 2024 and 2023, respectively.
- ⇒ Disruptions to roadways connecting to the toll roads, including those arising from construction or maintenance activities, are beyond the Trust's control and may adversely impact its revenue from operations, financial position and cash flows.

Citius Transnet Investment Trust

Income Statement (Rs. in millions)

Particulars	FY23	FY24	FY25	9MFY26
Revenue				
Revenue from operations	17,735	18,732	19,870	14,964
Total revenue	17,735	18,732	19,870	14,964
Expenses				
a) Operation and maintenance expense	6,277	5,947	5,585	2,941
b) Employee benefits expense	595	570	549	373
c) Other Expenses	1,139	1,274	1,173	960
Total operating expenses	8,011	7,791	7,307	4,275
EBITDA	9,724	10,941	12,564	10,689
Depreciation & amortization	7,095	6,922	6,998	5,257
EBIT	2,629	4,018	5,565	5,432
Finance costs	10,085	13,053	11,506	8,317
Other Income	1,118	1,654	1,786	740
PBT	-6,338	-7,381	-4,155	-2,144
Current Tax	200	356	43	46
Deferred tax	-4	4	-27	0
Income tax pertaining to earlier years	6	0	6	0
Total tax	202	360	22	46
Net Profit	-6,540	-7,741	-4,178	-2,190

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in millions)

Particulars	FY23	FY24	FY25	9MFY26
Cash Flow from operating activities	9,079	9,393	10,450	7,820
Cash flow from/(used in) investing activities	-532	10,711	-23,852	-2,010
Net cash flows (used in) / from financing activities	-6,586	-10,972	1,854	-6,128
Net increase/(decrease) in cash and cash equivalents	1,961	9,132	-11,548	-317
Cash and cash equivalents at the beginning of the period	2,312	4,273	13,405	1,857
Cash and cash equivalents at the end of the period	4,273	13,405	1,857	1,540

Source: RHP, BP Equities Research

Citius Transnet Investment Trust

Balance Sheet (Rs. in millions)

Particulars	FY23	FY24	FY25	9MFY26
Assets				
Non-Current Assets				
Property, plant and equipment	97	119	152	149
Investment properties	19	19	18	18
Intangible assets	70,576	64,406	56,654	51,552
Right-of-use assets	7	28	58	87
Capital work in progress	0	0	0	2
Intangible assets under development	2	35	45	4
Financial Assets				
(i) Trade Receivables	11,945	10,985	9,533	8,495
(ii) Other financial assets	742	309	509	157
Income tax assets (net)	660	730	690	723
Other Non-Current Assets	1,129	76	66	71
Total Non Current assets	85,178	76,707	67,724	61,257
Current Assets				
Financial Assets				
(i) Investments	5,582	4,198	7,548	8,368
(ii) Trade Receivables	394	228	224	484
(iii) Cash and cash equivalents	4,273	13,405	1,857	1,540
(iv) Bank balances other than (iii) above	7,196	4,195	2,655	3,827
(v) Receivable under service concession arrangements	1,700	772	1,385	1,861
(vi) Other financial assets	9,250	2,718	1,975	3,145
Other current assets	397	855	342	261
Total Current Assets	28,792	26,372	15,986	19,486
Total Assets	1,13,970	1,03,079	83,710	80,743
Equity and Liabilities				
Equity Share Capital	7,629	6,789	493	774
Share capital pending issuance	0	0	254	0
Other Equity	-15,391	-22,556	-41,522	-40,440
Instruments entirely equity in nature	3,628	4,411	3,848	6,537
Total Equity	-4,134	-11,356	-36,927	-33,129
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	49,060	42,668	38,671	36,240
(ii) Lease liabilities	0	21	36	49
(iii) Other financial liabilities	39,226	41,109	41,041	41,342
Deferred tax liabilities (net)	55	58	32	32
Provisions	2,772	4,283	2,724	4,514
Total Non-Current Liabilities	91,113	88,139	82,504	82,176
Current Liabilities				
Financial Liabilities				
(i) Borrowings	12,799	19,047	28,329	22,848
(ii) Lease liabilities	8	9	27	45
(iii) Trade payables	3,230	1,353	1,104	1,094
(iv) Other financial liabilities	6,205	2,768	3,241	3,612
Other current liabilities	1,391	491	274	320
Provisions	3343.5	2,615	5,157	3,777
Current tax liabilities (Net)	13	12	0	0
Total Current Liabilities	26,991	26,296	38,133	31,696
Total Liabilities	1,18,104	1,14,435	1,20,637	1,13,872
Total Equity and Liabilities	1,13,970	1,03,079	83,710	80,743

Source: RHP, BP Equities Research

Disclaimer Appendix**Analyst (s) holding in the Stock : Nil****Analyst (s) Certification:**

We analysts and the authors of this report, hereby certify that all of the views expressed in this research report accurately reflect our personal views about any and all of the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. Analysts aren't registered as research analysts by FINRA and might not be an associated person of the BP Equities Pvt. Ltd. (Institutional Equities).

General Disclaimer

This report has been prepared by the research department of BP EQUITIES Pvt. Ltd, is for information purposes only. This report is not construed as an offer to sell or the solicitation of an offer to buy or sell any security in any jurisdiction where such an offer or solicitation would be illegal.

BP EQUITIES Pvt. Ltd have exercised due diligence in checking the correctness and authenticity of the information contained herein, so far as it relates to current and historical information, but do not guarantee its accuracy or completeness. The opinions expressed are our current opinions as of the date appearing in the material and may be subject to change from time to time. Prospective investors are cautioned that any forward looking statement are not predictions and are subject to change without prior notice.

Recipients of this material should rely on their own investigations and take their own professional advice. BP EQUITIES Pvt. Ltd or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. BP EQUITIES Pvt. Ltd. or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

BP EQUITIES Pvt. Ltd and/or its affiliates and/or employees may have interests/ positions, financial or otherwise in the securities mentioned in this report. Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by any person in any locality, state and country or other jurisdiction where such distribution, publication or use would be contrary to the law or regulation or would subject to BP EQUITIES Pvt. Ltd or any of its affiliates to any registration or licensing requirement within such jurisdiction.

Corporate Office:

4th floor,
Rustom Bldg,
29, Veer Nariman Road, Fort,
Mumbai-400001
Phone- +91 22 6159 6464
Fax-+91 22 6159 6160
Website- www.bpwealth.com

Registered Office:

24/26, 1st Floor, Cama Building,
Dalal street, Fort,
Mumbai-400001

BP Wealth Management Pvt. Ltd.
CIN No: U67190MH2005PTC154591

BP Equities Pvt. Ltd.
CIN No: U67120MH1997PTC107392