



NIIF expands its road portfolio with the acquisition of the Navayuga Quazigund Expressway – a tunnel road in Jammu and Kashmir

Mumbai, July 18, 2022: National Investment and Infrastructure Fund Limited (NIIFL) announces the acquisition of an equity stake in the Navayuga Quazigund Expressway Private Limited (NQEPL) through the NIIF Master Fund at an enterprise value of around USD 380 million. The operational tunnel road in the union territory of Jammu and Kashmir will be managed by NIIF Master Fund’s proprietary roads platform Athaang Infrastructure. This acquisition further expands the fund’s road portfolio and diversifies its asset base.

NQEPL is one of the largest annuity projects awarded by the National Highways Authority of India (NHAI) on a BOT (build-operate-transfer) basis. This project receives fixed, semi-annual payments from NHAI, providing stable and predictable cash flows.

Vinod Giri, Managing Partner, NIIF Master Fund said, “We are delighted to add this important asset to our portfolio which is also the first tunnel road that we have acquired. This acquisition emphasises our focus on identifying fundamentally strong assets that offer long-term value creation. Operations and maintenance (O & M) of this asset requires specialised technical and management expertise and is a testament to the strength of Athaang Infrastructure. Leveraging the team’s strong underwriting capabilities and a well-structured investment approach, we will continue to build the NIIF Master Fund road portfolio with an efficient selection of high-quality assets and superior O & M practices.”

The well-engineered four-laned 16.3 km expressway between Quazigund and Banihal Section of NH-1A, includes a bi-directional 8.5 km continuous twin-tube tunnel stretch, one of the longest highway tunnels in India. The road provides a vital link between the two important cities in the region, Jammu and Srinagar, enabling seamless movement of traffic and goods, with enhanced inter-region connectivity. The road facilitates traffic movement in all weather conditions throughout the year and reduces significant travel time between the two cities.

“India is home to the world’s second-largest road network. The growing number of passengers and vehicles along with the need to further deepen connectivity in the country has propelled demand to widen the nation’s road network. This has generated significant investment opportunities in strategic assets with strong fundamentals”, added Giri.

NIIF Master Fund also holds the 6-laned Devanahalli Tollway in Bengaluru and the 4-laned Dichpally Tollway in Telangana. The Fund is in various stages of acquiring a few other strategic road assets. In addition to the road sector platform, NIIF Master Fund has also anchored platforms in ports and logistics, renewables, data centres, and energy smart meters sectors.

Sridhar Chinta, Managing Director, Navayuga Engineering Company Limited said, “The Quazigund Banihal road tunnel is a project of national importance, successfully executed and



developed by Navayuga group under extremely challenging conditions. We believe that NIIF is the right investor for this strategic asset which is important for the development of the region. We are delighted to work with NIIF on this transaction and it helped us in substantial reduction of debt at the group level.”

About National Investment and Infrastructure Fund Limited

National Investment and Infrastructure Fund Limited (NIIFL) is a collaborative investment platform for international and Indian investors, anchored by the Government of India, which manages funds with investments in different asset classes and diversified sectors that generate attractive risk-adjusted returns. NIIFL manages over \$4.3 billion of equity capital commitments across its three funds – Master Fund, Fund of Funds, and Strategic Opportunities Fund, each with a distinct investment strategy committed to supporting the country’s growth needs.

Master Fund managed by NIIFL is one of India’s largest infrastructure funds, that aims to participate in the robust Indian infrastructure story. The fund invests in high-quality businesses and assets across core infrastructure sectors. With considerable experience in investing and operating infrastructure assets, the fund focuses on areas that are critical to India’s economic development and long-term growth prospects.

For more information and recent updates on NIIFL, please visit www.niifindia.in and follow the official LinkedIn channel.

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