

BRNL signs pact with CDPQ for sale of road project

POST NEWS NETWORK

Bhubaneswar, Jan 21: Bharat Road Network Limited (BRNL), one of India's leading road developers, signed an agreement with India Highway Concession Trust, an infrastructure investment trust set up by Caisse de dépôt et placement du Québec (CDPQ), a global institutional investor, for the sale of a BOT road project in the state of Odisha. BRNL is currently the largest shareholder with a 40% stake in this project.

The Share Purchase Agreement provides for the complete transfer of ownership of Shree Jagannath Expressway Private Limited, the special purpose vehicle (SPV) engaged in the development, operation and maintenance of a 67-kilometre toll road project from Bhubaneswar to Chandikhole, in Odisha. Project operations started in December 2011, with an initial concession period of 26 years.

Managing Director of BRNL Bajrang Kumar Choudhary said "The transaction is in line with BRNL's strategic plan for stake-



The SPA provides for the complete transfer of ownership of Shree Jagannath Expressway Private Limited, and its operation and maintenance of a 67-km toll road project from Bhubaneswar to Chandikhole

holder value creation through portfolio assets reallocation while focusing on enhancing operational excellence and increasing financial efficiencies in existing assets. The

transaction is expected to help BRNL in reducing its debts and will also provide the company with funds for reinvesting in its existing assets under construction."

Executive Vice-President and Head of Infrastructure of CDPQ Emmanuel Jaclot said, "It will be the first asset integrated into the new CDPQ-owned roads platform in India, which we set up and staffed in 2020."

The transaction is subject to regulatory approvals and other closing conditions.