ANNUAL REPORT
2022-23

IRB INVIT FUND

DELIVERING CONSISTENT GROWTH DRIVING FUTURE VALUE

Talegaon Amravati Highway

Amritsar Pathankot Highway

What's Inside

CORPORATE OVERVIEW 01-14

STATUTORY REPORTS 15-48

FINANCIAL STATEMENTS 49-141

Talegaon Amravati Highway

For more details, please visit:
www.irbinvit.co.in

Talegaon Amravati Highway

Corporate Information

IRB InvIT Fund (Trust):

Registered Office:
IRB Complex,
Chandivali Farm, Chandivali Village,
Andheri (E), Mumbai – 400 072,
Maharashtra India

SEBI Registration No:
IN/InvIT/15-16/0001
Tel.: 022 6640 4299;
Fax: 022 6640 4274
E-Mail: info@irbinvit.co.in
Website: www.irbinvit.co.in

Compliance Officer:
Ms. Swapna Vengurlekar

Bankers / Lenders:
State Bank of India
Indian Bank
Aseem Infrastructure Finance Limited
Aditya Birla Finance Limited

Auditors:
Suresh Surana & Associates LLP

Securities Information:
BSE Ltd.: 540526
National Stock Exchange of India Ltd.: IRBINVIT
ISIN: INE183W23014

Investment Manager:
IRB Infrastructure Private Limited
CIN: U28920MH1997PTC112628

Registered Office:
IRB Complex,
Chandivali Farm, Chandivali Village,
Andheri (E), Mumbai – 400 072,
Maharashtra India
Tel.: +91 22 6640 4299;
Fax: +91 22 6640 4274
E-Mail: info@irbfl.co.in
Website: www.irbfl.co.in

Board of Directors:

Mr. R. P. Singh
Retd. IAS – Chairman of the Board

Mr. Vinod Kumar Menon
BE (Civil) – Whole-time Director & CEO

Mr. Rushabh Gandhi
CA & LLB – Executive Director & CFO

Mr. Sunil Tandon
Retd. IAS – Independent Director

Mr. Nikesh Jain
CA – Independent Director

Ms. Anusha Chaitanya Date
CA – Independent Director

Key Managerial Personnel:

Mr. Vinod Kumar Menon
BE (Civil) – Whole-time Director & Chief Executive Officer

Mr. Rushabh Gandhi
CA & LLB – Executive Director & Chief Financial Officer

Ms. Swapna Vengurlekar
CS & LLB – Company Secretary & Compliance Officer

Trustee of the Trust:
IDBI Trusteeship Services Limited
Ground Floor, Universal Insurance Building,
Sir Phirozshah Mehta Road, Fort,
Mumbai – 400 001
Tel.: +91 22 4080 7000
Fax: +91 6631 1776
E- Mail: itsl@idbitrustee.co.in

Contact Persons:
Mr. Shivaji Gunware
Mr. Naresh Sachwani

Registrar & Transfer Agent:
Kfin Technologies Limited
Selenium, Tower B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 032
Tel.: +91 40 6716 2222, 7961 1000

Valuer:
Mr. S. Sundararaman
5B, "A" Block, 5th Floor,
Mena Kampala Arcade, New #18 & 20,
Thiagaraya Road,
T. Nagar, Chennai – 600 017
Tel: +91 4428154192
Fax: +91 4442132024
IBBI Registration Number - IBBI/RV/06/2018/10238

Review Opinion Report:
DHC International Private Limited

About IRB InvIT Fund

The Trust is set up to own, operate and maintain a portfolio of road concessions, is managing 6 operational road assets at present that includes 5 BOT assets and 1 HAM asset with an aggregate enterprise value of approx. ₹ 8,244 crore, spread across the high growth states of Maharashtra, Rajasthan, Karnataka, Tamil Nadu, Gujarat and Punjab.

The Weighted Average life of Assets under InvIT Portfolio is around 16 years.

IRB InvIT Fund is the Trust settled by its Sponsor, IRB Infrastructure Developers Limited and is registered under the SEBI (Infrastructure Investment Trusts) Regulations, 2014.

IRB InvIT Fund an Attractive Investment Asset:

Ratings: AAA Outlook: Stable

CARE Ratings has given AAA Rating and Stable Outlook

Operational Efficiency

26% increase in toll collection Y-O-Y basis in present assets

Value Accretive Growth

Stable returns of ₹ 8.05/ unit of distribution to unit holders

Cumulative Distribution since IPO listing more than 57%; crosses ₹ 3,387 crore

Optimal Capital Structure

Low net debt to value of assets of 0.3:1 providing headroom for growth

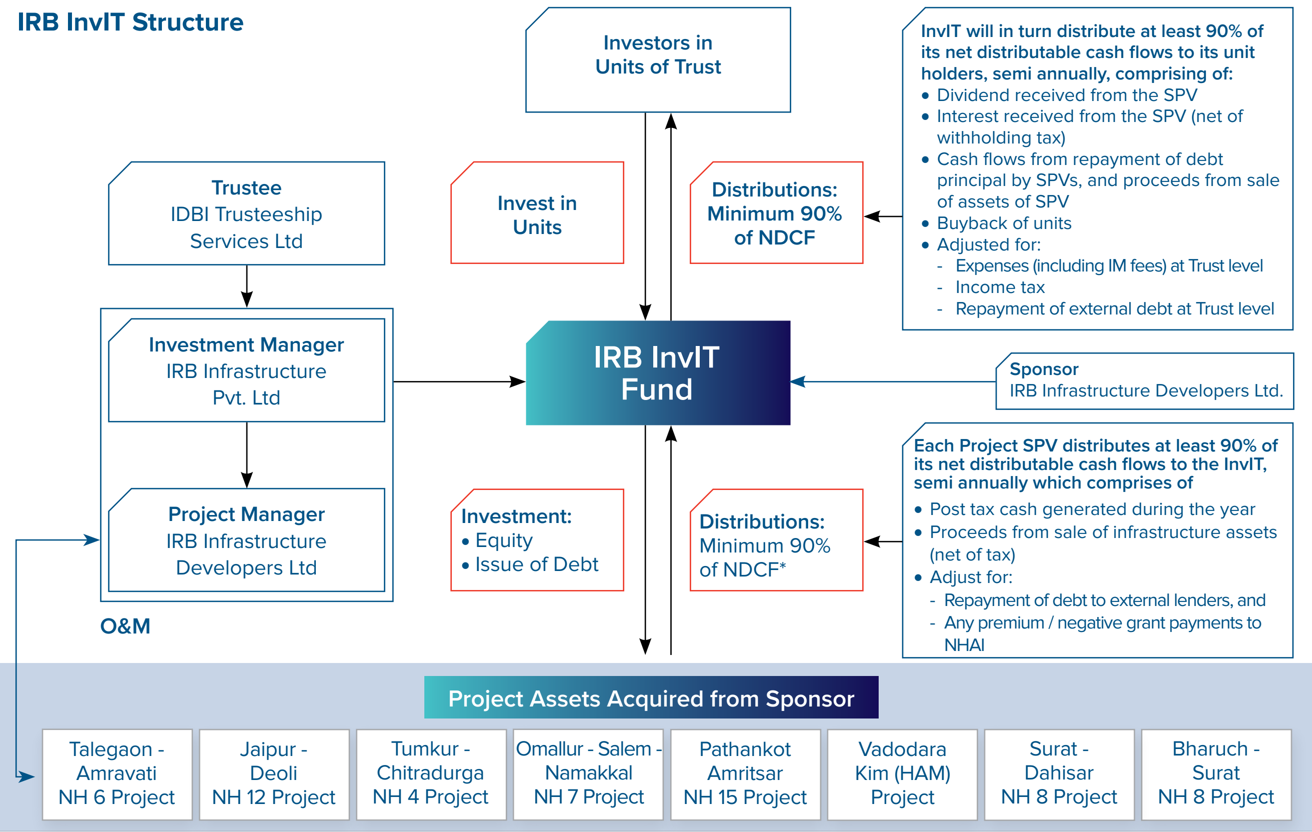
Robust Toll Collection across all Assets

All assets witness robust toll growth during the year; thus, leaving behind the pandemic

Adding HAM Asset

After 5 BOT Assets, now the Trust has introduced HAM Asset to the portfolio; thus, a mix of fix and variable revenue generating assets

IRB InvIT Structure



*Subject to applicable provisions of the Companies Act, 2013
Concession period for Bharuch Surat and Surat Dahisar project ended on March 31, 2022 and May 25, 2022 respectively.

Sponsor & Project Manager

IRB Infrastructure Developers Limited (IRB) is a Sponsor of the IRB InvIT Fund and also functioning as a Project Manager for all the Assets under the Trust.

IRB Infrastructure Developers Limited, Sponsor & Project Manager, is India's first Multinational Infrastructure player in Highways segment. As the largest integrated private toll roads and highways infrastructure developer in India, IRB has an asset base of over ₹ 70,000 crore in 11 States across the parent company and two InvITs.

IRB has strong a track record of constructing, tolling, operating and maintaining around 17,200 lane Kms pan India and has an ability to construct over 500 Kms in a year.

It has approx. 20% share in India's prestigious Golden Quadrilateral project, which is the largest by any private infrastructure developer in India.

After successfully completing 13 Concessions and handing over them to the nodal agencies, at present, IRB Group's project portfolio (including Private and Public InvIT) has 24 road projects that include 18 BOT, 2 TOT and 4 HAM projects.

Investment Manager

IRB Infrastructure Private Limited, a 100% subsidiary of the Sponsor, has been entrusted with the responsibility of an Investment Manager to the Trust. They have vast experience of more than 19 years of experience in managing the BOT assets, which include developing, operating and maintaining as well as tolling.

As an Investment Manager, their role in the Trust is to make investment and divestment decisions with respect to the underlying assets or projects of the Trust in accordance with the InvIT Regulations and the Investment Management Agreement.

Trustee

IDBI Trusteeship Services Limited (ITSL), developed jointly by IDBI Bank, Life Insurance Corporation and General Insurance Corporation, ITSL is a SEBI registered Trusteeship Company with a professionally managed team.

They have extensive experience in providing corporate and trusteeship services to corporates and institutions across sectors.

As a trustee, their role in the Trust is to represent and protect the interest of the unitholders by overseeing the performance of the Investment Manager.

Sr. No.	Unitholders holding more than 1%	% Holding
1	IRB Infrastructure Developers Limited	15.97
2	Government of Singapore	7.58
3	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Hybrid '95 Fund	6.40
4	BNY Mellon Investment Funds Newton Asian Income Fund (On Behalf of Newton Investment Management Limited)	3.98
5	CIM Investment Fund ICAV	3.03
6	Monetary Authority of Singapore	2.40
7	PRUSIK Umbrella UCITS Fund Plc / Prusik Asian EQUI	2.29
8	Virendra D Mhaiskar	2.11
9	PFIL Securities Ltd	2.02
10	Pace Stock Broking Services Pvt Ltd	1.85
11	HDFC Life Insurance Company Limited	1.68
12	Schroder Asian Asset Income Fund	1.20
Total		**50.51**


Tumkur Chitradurga Highway

IRB InvIT@Glance

Portfolio of 6 Highways Assets including **5 BOT** Assets and **1 HAM** Asset

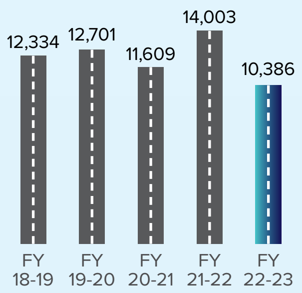
Enterprise value is ₹ **8,244** crore plus

2,439 Lane Kms under Tolling and O & M

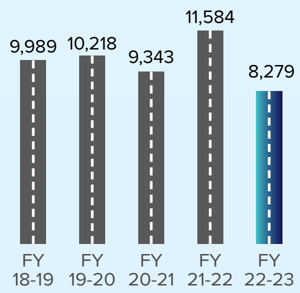
Cumulative Distribution till date ₹ **3,387** crore

Financial Highlights

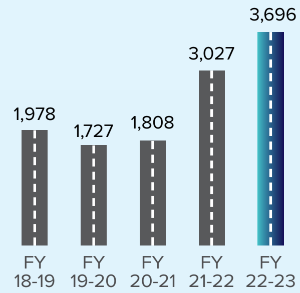
Total Consolidated Income
(₹ in Million)



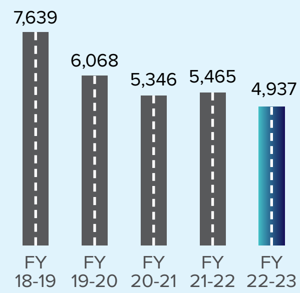
EBITDA
(₹ in Million)



Profit after Tax
(₹ in Million)



Net Distributable Cash Flows
(₹ in Million)



Vadodara Kim Highway

Overview of Assets Portfolio

Amritsar Pathankot NH 54 (Old NH 15) Asset:

On November 16, 2009, the NHAI and IRB Pathankot Amritsar Toll Road Limited (a Concessionaire) entered into a Concession Agreement for the period of 20 years to expand the 102.42 Kms (410 Lane Kms) Pathankot – Amritsar section of the NH 54 (Old NH 15) Project from 2 lanes to 4 lanes on Design, Build, Finance, Operate, Toll & Transfer basis.

Amritsar Pathankot Highway

Overview of Assets Portfolio

Jaipur Deoli NH 12 BOT Asset:

On December 16, 2009, the NHAI and IRB Jaipur Deoli Tollway Limited (a Concessionaire) entered into a concession agreement of 25 years to expand 148.77 km section (595 Lane Kms) of NH 12 between Jaipur and Deoli in Rajasthan from two lanes to four lanes on a Design, Build, Finance, Operate, Toll & Transfer basis.

Jaipur Deoli Highway

Overview of Assets Portfolio

Talegaon Amravati NH 53 (Old NH 6) BOT Asset:

On November 18, 2009, the NHAI and IRB Talegaon Amravati Tollway Limited (a Concessionaire) entered into a Concession Agreement of 22 years to construct a 66.725 km (267 Lane Kms) four lane road on the section of NH 53 (Old NH 6) from Talegaon to Amravati in Maharashtra on a Design, Build, Finance, Operate, Toll & Transfer basis.

Talegaon Amravati Highway

Overview of Assets Portfolio

Tumkur Chitradurga NH 48 (Old NH 4) BOT Asset:

On August 16, 2010, the NHAI and IRB Tumkur Chitradurga Tollway Limited (a Concessionaire) entered into a Concession Agreement for a period of 26 years to expand a 114.00 km (684 Lane Kms) section of NH 48 (Old NH 4) between Tumkur and Chitradurga in Karnataka from four to six lanes on Design, Build, Finance, Operate, Toll & Transfer basis.

Tumkur Chitradurga Highway

Overview of Assets Portfolio

Omallur Salem Namakkal NH 44 (Old NH 7) BOT Asset:

On February 16, 2006, the NHAI and MVR Infrastructure and Tollways Limited (a Concessionaire) entered into a Concession Agreement for a period of 26 years incorporated and was entrusted to expand 68.64 km (275 Lane Kms) of section of NH 44 (Old NH 7) from Omallur - Salem - Namakkal in Tamil Nadu from two lanes to four lanes as per the Concession Agreement of 20 years.

Omallur Salem Namakkal Highway

Overview of Assets Portfolio

Vadodara Kim Part of Delhi Mumbai Greenfield Expressway HAM Asset

On May 9, 2018, the NHAI and VEPL (VK1 Expressway Limited) (a Concessionaire) entered into a Concession Agreement of 17 years (including 2 years of construction and 15 years of operations from COD) to construct the Padra - Vadodara section of Vadodara-Kim Expressway Project (Part of Delhi Mumbai Greenfield Expressway project).

The Concessionaire shall be receiving semi-annual annuity from the NHAI during this operation period and shall also receive Operation & Maintenance payment for the maintenance of the project highway. 40% of the Project cost would be funded by NHAI during the construction period.

VK1 Expressway Limited was entrusted to construct an eight lane 23.74 Km (190 Lane Kms) section of Expressway between Vadodara and Kim in Gujarat on a Hybrid Annuity Mode (HAM) basis.

This was the first package of the entire Delhi Mumbai Expressway project that achieved COD among all other developers on the project. This project was recently acquired by the Trust in the current financial year 2022-23.

Vadodara Kim Highway

Investment Manager's Message

Dear Unitholders,

On behalf of the Board of Directors of Investment Manager, it gives me great pleasure to share the performance highlights of the IRB InvIT Fund ("the Trust") for FY 2022-23.

Your Trust has continued to maintain its resilient performance and ensured the distribution of ₹ 8.05 per unit for FY 2022-23, aggregating to a total distribution of ₹ 58.35 per unit since Listing in May 2017. Your Trust could maintain its consistency in distribution due to robust toll revenue growth in existing projects even after handing over of two BOT assets post successful completion of the concession period.

During the financial year 2022-23, the Trust added Vadodara Kim HAM asset, part of the prestigious Delhi Mumbai Greenfield Expressway to the portfolio. This acquisition shall bring in stable revenue visibility for the Trust and also, stable returns for the unitholders. Our endeavor would be to continue acquiring assets to the portfolio with steady cash-flows. To achieve this, your Trust has started participating in various deal processes initiated by sellers in the secondary market. Considering that our current net debt to value of assets is below 0.3:1, our appetite remains robust for acquiring new assets.

The Investment Manager has strengthened governance framework by implementing Code of Conduct, Risk Management Policy, Succession Policy, etc.

Your Trust continues to enjoy 'AAA' ratings for its debt and issuer rating as well. Moreover, the newly added HAM asset also enjoys 'AAA' rating. The interest rate cycle seems to be at its peak. Hopefully, we may witness decrease in interest rates in near future which would reduce the interest burden for the Trust debt.

> **"During the financial year 2022-23, the Trust added Vadodara Kim HAM asset, part of the prestigious Delhi Mumbai Greenfield Expressway to the portfolio"**

I would like to thank all the stakeholders for their contribution across the projects including our Sponsor, staff, and vendors.
To conclude, I once again express my sincere gratitude to all the unitholders for your continued faith in the Trust, valuable support and guidance from time to time.

Thank you.

R. P. Singh
Chairman of the Board,
Investment Manager of the Trust

Amritsar Pathankot Highway

ESG and Sustainability

Environment

We have just one planet to live on. Conscious of our responsibility towards it, we foster environmental sustainability in our decisions and actions. 'We Care' approach guides us in encouraging eco-friendly initiatives and minimizing our carbon footprints.

'We Care' for the planet

Our sustained focus on timely operations and eco-friendly maintenance of all road stretches under our asset portfolio provided smooth and efficient commuting experience to the passengers, leading to significant fuel savings. Further, usage of LED lights on the roads lead to a reduction in energy consumption. With more than 95% toll transactions being fulfilled through FASTag, it has been a major contributor in decreasing our carbon footprints by minimizing traffic congestion, fuel consumption and usage of paper.

We continue to deploy the latest tech-enabled machinery and equipment as well as adopt a system-driven approach to improve operational sustainability. Initiatives around water conservation, recycling of construction materials and tree-plantation further our efforts towards this.

Governance

Strong governance practices at IRB InvIT Fund promotes a culture of integrity, transparency, accountability and positive performance, thereby safeguarding the interests of our stakeholders. The actions of our employees and related parties are governed by a well-defined Code of Conduct. IDBI Trusteeship Services Ltd, our Trustee, plays a significant role in ensuring that our conduct and actions are aligned with our objectives and the regulatory requirements. Our governance initiatives include:

- Appointment of a reputed Audit firm since inception, for true and fair accounting;
- Continuous engagement with stakeholders for quick redressal of issues;
- Regular interaction with regulators to improve regulatory framework;
- Maintaining Board diversity and independence, with Board constituting Directors from different experience, background and skill set. 50% of them are Independent Directors (including woman independent director).

Social

Our people and the communities that we live in fall under the ambit of our social responsibilities. We remain committed to their growth and well-being through meaningful initiatives intended to create a long-term impact.

Enabling our employees

As a people-centric Trust, we endeavor to create a positive work environment that fosters ownership and growth, in alignment with the regulatory health and safety guidelines. We safeguard our employees across all functions and target zero high-risk incidence.

A robust talent management program focused on acquiring talent with diverse knowledge and skills helps us to achieve high-performance, enhance satisfaction and minimize employee turnover cost.

Empowering our communities

To empower our communities, we encourage our stakeholders to undertake health and education initiatives, especially focused on girl child. We also support the underprivileged communities by undertaking projects that can adapt to their needs and create large-scale impact.

Special emphasis is placed on supporting local communities by generation of local employment opportunities and procurement of local goods and services. Local employment opportunities were generated at the toll plazas in FY 2023.

Strong Governance with Able Leadership

The business operations of the Investment Manager are managed by a team of professionals with experience in the road infrastructure sector.

In accordance with the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, at least half of the Board of Directors of the Investment Manager are independent including woman independent director, and are not Directors or members of the governing Board of another infrastructure investment trust.

Brief profiles of the Directors and Key Managerial Personnel are narrated below:

Board of Directors of Investment Manager

Mr. Rajinder Pal Singh - Retd. IAS

Director and Chairman of the Board
Master's in Mathematics

Mr. Vinod Kumar Menon

Whole-time Director & Chief Executive Officer (CEO) B. Tech (Civil Engineering)

Mr. Rushabh Gandhi

Executive Director & Chief Financial Officer
Chartered Accountant

Mr. Sunil Tandon - Retd. IAS

Independent Director
MBA (Financial Management & Strategy)

Mr. Nikesh Jain

Independent Director
Chartered Accountant

Ms. Anusha Chaitanya Date

Independent Director
Chartered Accountant

Key Managerial Personnel

Mr. Vinod Kumar Menon

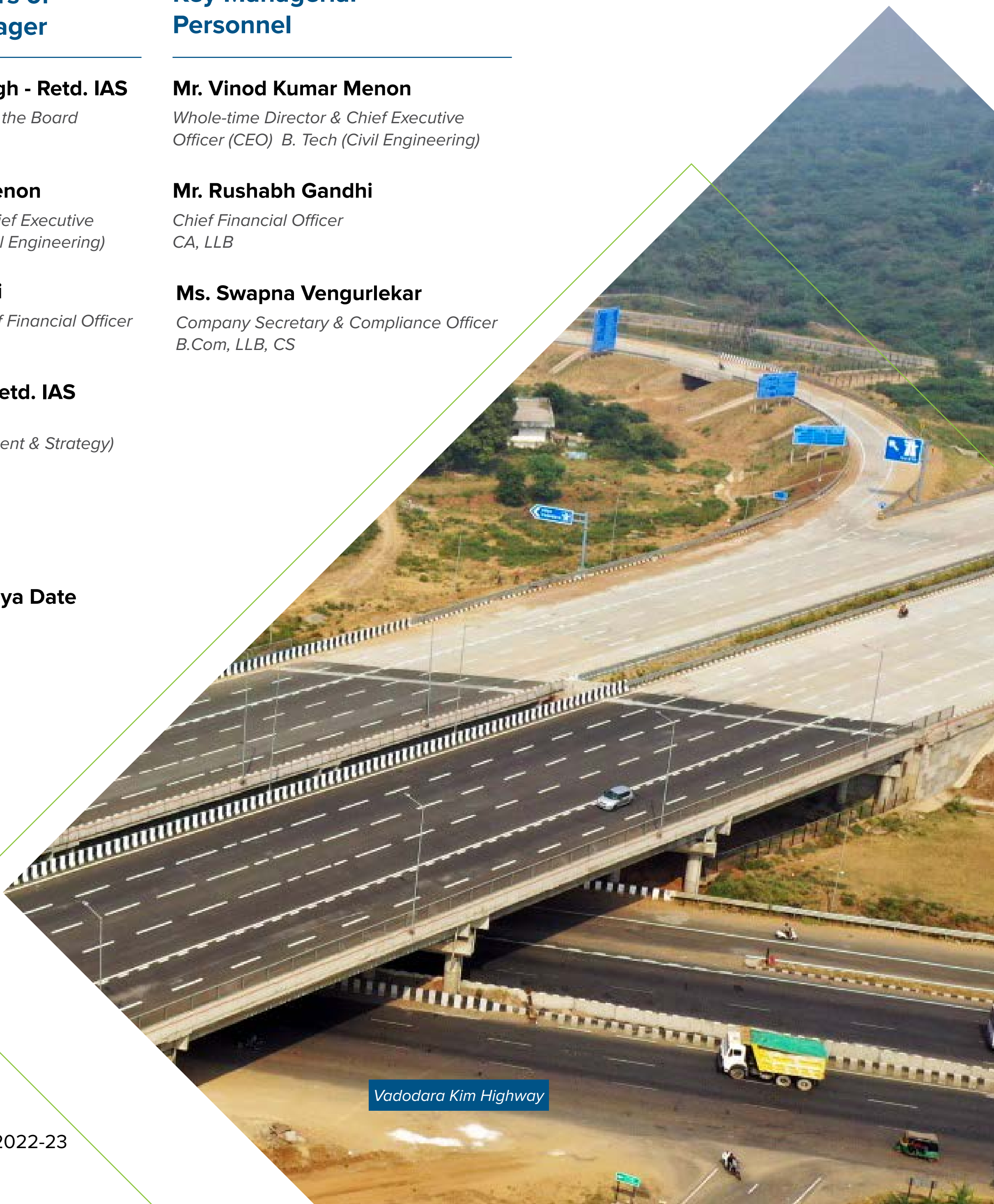
Whole-time Director & Chief Executive Officer (CEO) B. Tech (Civil Engineering)

Mr. Rushabh Gandhi

Chief Financial Officer
CA, LLB

Ms. Swapna Vengurlekar

Company Secretary & Compliance Officer
B.Com, LLB, CS



Vadodara Kim Highway

Report of Investment Manager

for the year ended March 31, 2023

Activities of the Trust

IRB InvIT Fund (the Trust) is settled by IRB Infrastructure Developers Limited (the "Sponsor") pursuant to the Indenture of Trust in Mumbai, India, as an irrevocable trust in accordance with the Trusts Act. The Trust has been registered with SEBI as an Infrastructure Investment Trust under Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 (the InvIT Regulations) (Registration Number: IN/InvIT/15-16/0001). The object and purpose of the Trust is to carry on the activity of an infrastructure investment trust under the InvIT Regulations, to raise resources in accordance with the InvIT Regulations and to make investments in accordance with its investment strategy.

The Trust is operating and maintaining a portfolio of six operational road assets that includes five BOT assets and one HAM asset, in the Indian states of Maharashtra, Gujarat, Rajasthan, Karnataka, Tamil Nadu and Punjab. These road assets are operated and maintained pursuant to concessions granted by the National Highways Authority of India (NHAI). The concession period for two Build–operate–transfer (BOT) assets i.e. IDAA Infrastructure Limited i.e. Bharuch Surat and IRB Surat Dahisar Tollway Limited i.e. Surat Dahisar project ended on March 31, 2022 and May 25, 2022 respectively and the projects were handed over to NHAI. The Trust is listed on both the Stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited since May 18, 2017.

Financial Statements

The Summary of financial information on Consolidated & Standalone Financial Statement of the Trust as on March 31, 2023 is as follows:

(Amount in Lakh)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Total Income	1,46,182.90	1,40,034.35	57,702.63	54,768.04
Total Expenditure	1,08,789.04	1,06,435.25	17,588.29	19,466.49
Profit before tax	37,393.86	33,599.10	40,114.34	35,301.55
Less: Tax expenses	435.84	3,333.11	-	-
Profit after tax	36,958.02	30,265.99	40,114.34	35,301.55
Add: Profit at the beginning of the year	(96,341.29)	(95,850.79)	14,532.86	9,997.81
Profit available for appropriation	(59,383.27)	(65,584.80)	54,647.20	45,299.36
Add / Less : Appropriations				
Distribution in the form of interest	31,347.00	30,766.50	31,347.00	30,766.50
Other comprehensive income/(loss) for the period	(29.39)	10.01	-	-
Balance Carried Forward to Balance Sheet	(90,759.66)	(96,341.29)	23,300.20	14,532.86

Management Discussion and Analysis

The Management Discussion and Analysis Report form a part of the Annual Report and include various matters specified under the InvIT Regulations.

Assets of the Trust

Project wise brief details of all the assets of the Trust are as follows:

Particulars	IRB Talegaon Amravati Tollway Limited (IRBTA)	IRB Jaipur Deoli Tollway Limited (IRBJD)	IRB Tumkur Chitradurga Tollway Limited (IRBTC)	M.V.R. Infrastructure and Tollways Limited (MVR)	IRB Pathankot Amritsar Toll Road Limited (IRBPA)	VK1 Expressway Limited (VK1) (Formerly known as VK1 Expressway Private Limited)	IDAA Infrastructure Limited (IDAA)*	IRB Surat Dahisar Tollway Limited (IRBSD)*
Concession period (in years)	22	25	26	20	20	15 (after construction period)	15	12
Concession start date	September 3, 2010	June 14, 2010	June 4, 2011	August 14, 2006	December 31, 2010	January 18, 2019	January 2, 2007	February 20, 2009
Concession end date without reduction/ extension	September 2, 2032	June 13, 2035	June 3, 2037	August 13, 2026	December 30, 2030	April 1, 2037	January 1, 2022	February 19, 2021
Concession end date with reduction/ extension	June 2, 2037	October 21, 2040	December 29, 2042	January 12, 2027	January 2, 2038	April 1, 2037	March 31, 2022	May 25, 2022
Tolling start date	April 24, 2013	September 27, 2013	June 4, 2011	August 6, 2009	November 27, 2014	# April 2, 2022	September 25, 2009	February 20, 2009
Total project cost (₹ in Million)	8,925.95	17,746.96	11,420.00	3,075.99	14,453.10	20,940.00	14,054.90	25,285.74
No. of Toll plazas	1	2	2	1	2	NA	1	4
Kms Length	66.73	148.77	114.00	68.63	102.42	23.74	65.00	239.00
Lane Kms	267.00	595.00	684.00	275.00	410.00	190.00	390.00	1,434.00
State(s)	Maharashtra	Rajasthan	Karnataka	Tamil Nadu	Punjab	Gujarat	Gujarat	Maharashtra & Gujarat
National Highway	NH 6	NH 12	NH 4	NH 7	NH 15	Vadodara Mumbai Expressway	NH 8	NH 8

*Handed over the Project Highways including Project Assets to NHAI in terms of the Concession Agreement.

PCOD received and the concessionaire is eligible for Annuity income.

The Trust has not invested in under-construction projects and has not divested any of its existing Assets.

Acquisition by the Trust

During the year under review, the Trust has added Vadodara Kim HAM Project ("VK1 Project") by acquiring 100% of the equity share capital of VK1 Expressway Limited ("VK1") from IRB Infrastructure Developers Limited (i.e., the Sponsor and the Project Manager of the Trust), for an aggregate purchase consideration of ₹ 342 crore. The VK1 Project involves eight-laning of the Vadodara Kim Expressway from Km 355.00 to Km 378.740 (Padra to Vadodara Section of Vadodara Mumbai Expressway) in the State of Gujarat under NHDP Phase - VI on Hybrid Annuity Mode (Phase IA-Package I) and it is part of the prestigious Delhi Mumbai Greenfield Expressway.

VK1 Project being a HAM project has stable and firm visibility in cash flows with the various distinct features which inter alia includes the following:

a) Semi-annual annuity payments receivable from NHAI spread across 15 years;

b) Interest on balance annuities payable by NHAI at bank rate plus 3% per annum;

c) Semi-annual O&M receivable from NHAI adjusted for inflation; and

d) The receipts being linked to Inflation Index and bank rate; it provides a hedge in the rising inflation/ interest rate scenario.

The Trust seeks to acquire yield-accretive assets with a stable track record of revenue generation. The relevant criteria for asset selection pertaining to acquisition by the Trust include yield thresholds, traffic characteristics, residual concession period and geographic diversity. Other factors include expected maintenance expenses for the asset, the impact of an acquisition on the Trust's future distributions and the leverage ratios required to be maintained by the Trust under the InvIT regulations.

Project-wise Revenue from the Underlying Projects

Details of Project wise Gross Toll collection from the underlying assets are as follows:

(Amount in lakh)

Particulars	Q1	Q2	Q3	Q4	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021*	For the Year ended March 31, 2020	For the Year ended March 31, 2019
IRBTC	9,312.67	9,131.41	9,588.60	9,725.44	37,758.12	29,630.58	26,261.09	27,036.72	27,787.08
IRBJD	3,960.82	3,707.04	3,932.45	3,843.25	15,443.56	12,024.26	10,252.17	10,086.88	9,756.26
MVR	3,522.09	3,643.15	4,191.12	4,155.22	15,511.58	11,889.93	9,633.41	10,125.19	9,600.70
IRBPA**	4,231.96	3,399.01	3,059.18	3,280.74	13,970.89	4,146.68	4,551.57	12,315.34	12,185.67
IRBTA	2,374.25	2,147.81	2,371.08	2,069.75	8,962.89	7,975.27	7,249.05	7,204.74	6,836.38
IRBSD	13,413.40	-	-	-	13,413.40	82,052.20	67,020.23	72,141.18	67,716.88
IDAA	-	-	-	-	-	29,808.18	23,772.44	24,705.63	22,818.66
Total	**36,815.19**	**22,028.42**	**23,142.43**	**23,074.40**	**1,05,060.44**	**1,77,527.10**	**1,48,739.96**	**1,63,615.68**	**1,56,701.63**

* Toll Collection for the year is for 346 days as tolling was suspended up to April 19, 2020 as per NHAI Circular due to Covid-19 pandemic across the Country

** Toll collection stopped due to farmer's protests in October, 2020 and had recommenced w.e.f December 16, 2021 post withdrawal of farmer's protest. During the financial year 2023, toll collection was suspended due to farmer's protests on December 15, 2022 which recommenced on January 15, 2023. IRBPA has filed claims with NHAI as per the provisions of Concession Agreement.

Details of HAM Project revenue from the underlying assets are as follows:

(Amount in lakh)

Particulars	1st Annuity installment	2nd Annuity installment	For the Year ended March 31, 2023
Annuity	2,965.97	3,064.84	6,030.81
Interest on annuity	5,637.28	6,588.60	12,225.88
O&M payment	174.15	172.80	346.95
Total	**8,777.40**	**9,826.24**	**18,603.64**

Vadodara Kim Project received PCOD on April 2, 2022 and thereon, the concessionaire was entitled for Annuity income.

Summary of the Valuation

The Investment Manager has submitted full valuation report for the financial year ended March 31, 2023 as received from the Valuer with the Stock Exchanges within stipulated time period. The summary of full valuation report is enclosed as "**Annexure A**".

The Toll Revenue and O&M Cost Projection Report issued by M/s. GMD Consultants, Technical Consultant, for each Project SPVs was submitted to the Stock Exchanges within stipulated time period.

Valuation of Assets and NAV

Statement of Net Assets at Fair Value as at March 31, 2023

Particulars	Amount in Lakh
A. Assets	14,83,021.44
B. Liabilities	9,00,234.95
C. Net Assets	5,82,786.49
Outstanding units	5,805.00
NAV at Fair Value (₹ Per Unit)	**100.39**

Borrowings

Details of Borrowings or repayment of borrowings on standalone and consolidated basis as follows:

(Amount in lakh)

Particulars	Name of the entity	Opening Balance (April 1, 2022)	Loan availed during the period	Loan repaid during the period	Closing Balance (March 31, 2023)
Secured loan availed from					
Banks / Financial institutions	IRB InvIT Fund	1,42,205.45	18,800.00	5,425.00	1,55,580.45
Bank	VK1 #	-	95,500.00	-	95,500.00
Total		**1,42,205.45**	**1,14,300.00**	**5,425.00**	**2,51,080.45**

VK1 project acquired with existing project loan amount.

Credit Rating

CARE Ratings Limited has reaffirmed "CARE AAA" to the Trust's long term bank facilities with a stable outlook.

India Ratings and Research (Ind-Ra) has affirmed the Trust's long term senior debt rating at "IND AAA" with stable outlook.

India Ratings and Research (Ind-Ra) has assigned the term loan of VK1 at "IND AAA" with stable outlook.

Investment Manager

IRB Infrastructure Private Limited is the Investment Manager (IM) of the Trust and has been designated as such pursuant to the Investment Management Agreement dated March 3, 2016. The Investment Manager is responsible for making investment decisions with respect to the underlying assets or projects of the Trust (Project SPVs), including any further investment or divestment of its assets, in accordance with Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (the InvIT Regulations).

Investment Manager on behalf of the Trust focuses towards maximizing unitholder returns while ensuring a quality portfolio of underlying assets for the Trust. It regularly evaluates assets offering steady cashflow with reasonable risk-reward profile. During the year, the Investment Manager had evaluated several acquisition opportunities from leading Indian Infrastructure Groups on a preliminary and non-binding basis. However, based on the asset selection criteria decided by the Trust, Investment Manager did not proceed with aforesaid evaluated acquisitions. Such assets, among other things, did not have a favourable traffic profile, had proximate competing roads, which would result in traffic diversion, or were not eligible to be transferred to the Trust under the concession agreement and applicable regulations. Expansion of the portfolio through acquisitions in yield accretive manner is a stated growth strategy for the Trust. Accordingly, Investment Manager on behalf of the Trust continue to evaluate potential acquisition opportunities from the Sponsor as well as third parties.

The Trust added Vadodara Kim HAM asset, part of the prestigious Delhi Mumbai Greenfield Expressway to the portfolio. The addition shall bring in stable revenue visibility for the Trust and also would result into value maximisation and profitable returns by way of distribution to the unitholders.

Directors of Investment Manager

Sr. No.	Name of Director	DIN	Designation
1.	Mr. Rajinder Pal Singh	02943155	Non-Executive, Non-Independent Director
2.	Mr. Vinod Kumar Menon	03075345	Whole-time Director & Chief Executive Officer
3.	Mr. Rushabh Gandhi	08089312	Executive Director & Chief Financial Officer
4.	Mr. Sunil Tandon	00874257	Independent Director
5.	Mr. Nikesh Jain	06837475	Independent Director
6.	Ms. Anusha Date	10087897	Independent Director

During the year under review, Mr. Rushabh Gandhi was appointed as the Executive Director for a period of 3 years and Ms. Anusha Date was appointed as Independent Director for a term of 5 years of the Company w.e.f. March 31, 2023.

Brief Profiles of the Investment Manager's Directors

a) **Mr. Rajinder Pal Singh (DIN: 02943155)**

Mr. Rajinder Pal Singh, aged 71 years, is a Non-Executive Director and Chairman of the Board of Investment Manager. He holds a master's degree in mathematics from Advanced Centre for Pure Mathematics, Punjab University, Chandigarh. He taught pure mathematics & statistics to graduate classes, before he joined the Indian Administrative Service. He has wide experience in regulatory areas of finance, industry, urban development and infrastructure. He worked both as Commissioner of Hyderabad Municipal Corporation & Vice Chairman of Hyderabad Urban Development Authority. He was also the Managing Director of Andhra Pradesh Industrial Development Corporation and Commissioner of Taxation in Andhra Pradesh. He was posted to Punjab & Sind Bank as its Chairman from March, 2005 to September, 2009. He retired as Secretary to Government of India in the Department of Industrial Policy & Promotions and post retirement was appointed by the Government of India as Chairman of National Highways Authority of India (NHAI). At present, he is a Director of Maruti Suzuki India Limited, Nirlon Limited and Macrotech Developers Limited.

b) **Mr. Vinod Kumar Menon (DIN: 03075345)**
Mr. Vinod Kumar Menon, aged 57 years, is a Whole Time Director & Chief Executive Officer of the Investment Manager. He holds a Bachelor of Technology degree in Civil Engineering. He has experience of 35 years in the fields of infrastructure development and management. Previously, he was the president (business development) of the Sponsor. He currently serves as the vice-president of the National Highway Builder Federation - a non-profit organisation.

c) **Mr. Sunil Tandon (DIN: 00874257)**
Mr. Sunil Tandon, aged 65 years, is an Independent Director of the Investment Manager. He is a former IAS officer with a master's degree in Business Administration (specialisation in Financial Management & Strategy) from the Strathclyde Business School, UK. He has over 43 years in the private sector and in the government; experience spans the entire spectrum from implementation of policy to policy formulation and conceiving and grounding of large infrastructure projects. He held positions of CEO and MD of various large corporates such as SKIL Group, Pipavav Port, Pipavav Rail, GMR Infrastructure, Capital Partners, 50 HZ India Private Limited, etc. He held senior positions in state and central governments and specialises in setting up ("concept to completion") large infrastructure projects (Ports, Defence Shipyards, Airports, Railways, Expressways, Special Economic Zones), project management and finance, joint ventures, mergers and acquisitions, public administration, public private partnership and advising corporates and state governments on risk mitigation strategies for large projects. He has worked with and advised State Governments of Madhya Pradesh, Chhattisgarh, Tamil Nadu, Andhra Pradesh, Gujarat, Rajasthan and Orissa, on large infrastructure projects and Public Private Partnerships. He also served as Nodal officer in the Ministry of Finance, Government of India for various projects financed by various foreign government agencies and organizations and worked with various foreign governments. He was former Chairman of several Infrastructure Committees of Trade bodies such as CII, Assocham and FICCI. He served as Secretary to the Union Minister of State for Finance and Deputy Secretary/Director in the Ministry of Finance.

d) **Mr. Nikesh Jain (DIN: 06837475)**
Mr. Nikesh Jain, aged 47 years, is an Independent Director of the Investment Manager. He is a fellow member of the Institute of Chartered Accountants of India and partner of JMR Associates LLP (since 2012). He is the Senior Partner of JMR Associates LLP and is in charge of assurance & advisory practice. He has experience of over twenty years in the field of Statutory Audits, Internal Audit, and also diversified experience in Valuations of shares, Initial Public Offer, Consolidation of mid-size Companies, Due Diligence, Valuation of Business, Merger, Acquisition, International and Domestic Taxation, FEMA & RBI Compliances, NBFC, Goods and Service Tax and Accounting System Monitoring Assignments. Earlier, he worked with many renowned Chartered Accountant Firms.

e) **Mr. Rushabh Gandhi (DIN: 08089312)**
Mr. Rushabh Rakesh Gandhi, aged 34 years, is a qualified Chartered Accountant (ICAI) and holds a degree in Law. He is an Alumni member, completed Senior Management programme from IIM Ahmedabad. Previously, he served as the CFO of the Sponsor. He has been associated with IRB Group for more than a decade. He has experience in Accounts, Audit, Finance, Taxation and business reorganization. Previously, he had also been actively participating in the fund raising activities of IRB Group.

f) **Ms. Anusha Date (DIN: 10087897)**
Ms. Anusha Chaitanya Date, aged 39 years, holds a bachelor's degree in commerce from the University of Mumbai and is a qualified Chartered Accountant (ICAI). She has 15 years of rich experience post qualification. She is in practice as Chartered Accountant since 2013 and is a partner since 2016 in A B D & Co LLP, a Mumbai based Chartered Accountant firm. She has experience in Accounts, Audit, Finance, Taxation and management consultancy of various listed and unlisted corporate clients.

Board Meetings

For the period ended March 31, 2023, the Board of Directors of Investment Manager of the Trust met 8 times on May 7, 2022, June 6, 2022, July 23, 2022, July 29, 2022, August 5, 2022, October 17, 2022, February 7, 2023 and March 31, 2023.

Further, circular resolutions were passed by the Board of Directors on May 31, 2022, August 23, 2022, October 3, 2022 and November 3, 2022.

Details regarding the attendance of the Directors at the Board Meetings held during the period ended March 31, 2023, are provided in the following table:

Director	No. of Board Meetings Attended
Mr. Rajinder Pal Singh	8
Mr. Vinod Kumar Menon	8
Mr. Rushabh Gandhi**	8
Mr. Sunil Tandon	8
Mr. Nikesh Jain	8
Ms. Anusha Date*	0

**Appointed w.e.f. March 31, 2023 as an Executive Director prior to that attended the Board meetings in the capacity as a Chief Financial Officer of the Company

*Appointed w.e.f. March 31, 2023 as an Independent Director

Brief Profiles of the Investment Manager's Key Personnel :

a) **Mr. Vinod Kumar Menon**

For details in relation to Mr. Vinod Kumar Menon, see "Brief Profiles of the Investment Manager's Directors".

b) **Mr. Rushabh Gandhi**

For details in relation to Mr. Rushabh Gandhi, see "Brief Profiles of the Investment Manager's Directors".

c) **Ms. Swapna Vengurlekar**

Ms. Swapna Vengurlekar, aged 32 years, has been designated as the Company Secretary and Compliance Officer by the Investment Manager with respect to the Trust. She joined the Sponsor Group in May 2015. She has done B.Com and LL.B. from Mumbai University. She is an associate member of the Institute of Company Secretaries of India. She has more than ten years of experience in the field of Corporate Affairs and Compliances of Company Law and Securities Law. Prior joining to Sponsor Group, she was associated with M/s. Makarand M. Joshi & Co., Practising Company Secretary and SKP Crossborder Consulting Private Limited.

Details of the Holding by the Investment Manager and its Directors in the Trust

As on March 31, 2023, as per the disclosures received from the Directors of Investment Manager, following Investment Manager's Director(s) holds Units of the Trust:

Sr. No.	Director	No. of Units held
1.	Mr. Vinod Kumar Menon	30,000

Summary of the Standalone Financial Statements of the Investment Manager

The Investment Manager has no subsidiaries. For a summary of the financial statements of the Investment Manager, as derived from the standalone financial statements of the Investment Manager, prepared in accordance with Ind AS and the Companies Act, 2013 as of and for the financial year ended March 31, 2023, please refer website of Investment Manager i.e. www.irbfl.co.in.

Codes / Policies

In order to adhere the good governance practices in IRB InvIT Fund, the Investment Manager has adopted the following policies in relation to IRB InvIT Fund:

Code of Conduct

The Investment Manager has adopted a Code of Conduct in relation to the Trust and parties to the Trust.

Distribution Policy

The Investment Manager has adopted the Distribution Policy as disclosed in Final Offer Document to ensure proper, accurate and timely distribution for IRB InvIT Fund. The Distributable Income of IRB InvIT Fund is calculated in accordance with the Distribution Policy, the InvIT Regulations and any circular, notification or guidance issued thereunder.

Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI Policy)

The Investment Manager has adopted the UPSI Policy (as a part of PIT) to ensure that IRB InvIT Fund complies with applicable law, including the InvIT Regulations or such other laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

Policy in relation to Related Party Transactions

To ensure proper approval, supervision and reporting of the transactions between IRB InvIT Fund and its Related Parties, the Board of Directors of the Investment Manager has adopted the Policy in relation to Related Party Transactions as disclosed in Final Offer Document, to regulate the transactions between IRB InvIT Fund and its Related Parties.

Succession Policy

The Investment Manager has adopted succession policy to ensure that IRB InvIT Fund has plans in place for orderly succession for appointment to the Board of Directors and senior management.

Risk Management Policy

The Investment Manager has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through risk registers and mitigating actions on a continuing basis.

Vigil Mechanism / Whistle Blower Policy

The Investment Manager has adopted vigil mechanism for directors and employees to report genuine concerns, to provide adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee.

Code of Conduct for Board of Directors and senior management

The Investment Manager has adopted Code of Conduct for Board of Directors and senior management for all members of the Board of Directors and senior management of the InvIT/ Investment Manager.

Representatives on the Board of Directors of each Project SPVs

The Investment Manager, in consultation with the Trustee, has appointed the majority of the Board of Directors of Project SPVs. Further, the Investment Manager ensures that in every meeting, including annual general meeting of Project SPVs, the voting of the Trust is exercised.

Committees

In compliance with requirement of the Companies Act, 2013, the Rules made thereunder and as per the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time, Investment Manager's Board of Directors consisted the following Committees as on March 31, 2023:

i) Audit Committee;

ii) Nomination and Remuneration Committee;

iii) Corporate Social Responsibility Committee;

iv) Risk Management Committee; and

v) Stakeholders Relationship Committee.

The Chairman of the Board, in consultation with the Company Secretary and the respective Chairman of these Committees, determines the frequency of the meetings of the aforesaid Committees. The recommendations of the Committees are submitted to the Board for approval.

i) Audit Committee

The Audit Committee comprises of Board of Directors of the Investment Manager. The chairperson of the Audit Committee is an independent director. All members and Chairman of the Audit Committee are financially literate and have accounting and related financial management expertise.

The Composition of Audit Committee as on March 31, 2023 consists of the following member's viz.:

1. Mr. Sunil Tandon, Chairman
2. Mr. Vinod Kumar Menon, Member
3. Mr. Nikesh Jain, Member

The Company Secretary acts as the Secretary of the Audit Committee.

The composition, role, terms of reference as well as powers of the Audit Committee are in accordance with the Companies Act, 2013 and the InvIT Regulations, as applicable and amended from time to time.

The brief terms of reference of the Audit Committee inter-alia includes:

1. oversight of the InvIT's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. recommendation for appointment, remuneration and terms of appointment of auditors of the InvIT;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

   b. changes, if any, in accounting policies and practices and reasons for the same;

   c. major accounting entries involving estimates based on the exercise of judgment by management;

   d. significant adjustments made in the financial statements arising out of audit findings;

   e. compliance with listing and other legal requirements relating to financial statements;

   f. disclosure of any related party transactions;

   g. modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making

appropriate recommendations to the board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the InvIT with related parties;

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the InvIT, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, unitholders (in case of non-payment of declared distribution) and creditors;

18. to review the functioning of the whistle blower mechanism;

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the InvIT and its unitholders.

The Audit Committee met 5 times for the period ended March 31, 2023 viz. May 7, 2022, July 29, 2022, August 5, 2022, October 17, 2022 and February 7, 2023.

The following table presents the details of attendance at the Audit Committee meetings held during the period ended March 31, 2023:

Sr. No.	Name of the Member	No. of meetings attended
1.	Mr. Sunil Tandon	5
2.	Mr. Vinod Kumar Menon	5
3.	Mr. Nikesh Jain	5

ii) Nomination & Remuneration Committee (NRC)

The Nomination and Remuneration Committee comprises of Board of Directors of the Investment Manager. The Composition of Nomination & Remuneration Committee as on March 31, 2023 consists of the following member's viz.:

1. Mr. Sunil Tandon, Chairman
2. Mr. Rajinder Pal Singh, Member
3. Mr. Nikesh Jain*, Member
4. Ms. Anusha Date**, Member

*Member of the committee w.e.f. July 29, 2022

**Member of the committee w.e.f. March 31, 2023

The brief terms of reference of the Nomination and Remuneration Committee inter-alia includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

   For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

2. Formulation of criteria for evaluation of performance of independent directors and the Board;

3. Devising a policy on Board diversity;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

5. Consideration of extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

6. To recommend to the board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee met 5 times for the period ended March 31, 2023 viz. on May 7, 2022, June 6, 2022, July 29, 2022, February 7, 2023 and March 31, 2023.

The following table presents the details of attendance at the Nomination and Remuneration Committee meetings for the period ended March 31, 2023:

Sr. No.	Name of the Member	No. of meetings attended
1.	Mr. Sunil Tandon	5
2.	Mr. Rajinder Pal Singh	5
3.	Mr. Nikesh Jain	2
4.	Ms. Anusha Date*	0
5.	Mr. Vinod Kumar Menon**	5

*Appointed w.e.f. March 31, 2023

**Ceased to be a member w.e.f. March 31, 2023

Remuneration Policy

The Nomination and Remuneration Committee has laid down the criteria for determining qualifications, positive attributes and independence of a person proposed to be appointed as a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Policy ensures –

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

iii) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee comprises of Board of Directors of the Investment Manager.

The Composition of Corporate Social Responsibility Committee as on March 31, 2023 consists of the following members viz.:

1. Mr. Sunil Tandon, Chairman
2. Mr. Vinod Kumar Menon, Member
3. Mr. Nikesh Jain, Member

The Corporate Social Responsibility Committee met on February 7, 2023 during the period ended March 31, 2023.

The following table presents the details of attendance at the Corporate Social Responsibility Committee meeting for the period ended March 31, 2023:

Sr. No.	Name of the Member	No. of meetings attended
1.	Mr. Sunil Tandon	1
2.	Mr. Vinod Kumar Menon	1
3.	Mr. Nikesh Jain	1

The terms of reference of the CSR Committee inter-alia includes:

1. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in the areas or subject specified in Schedule VII of the Companies Act, 2013 and rules made thereunder;

2. recommend of the amount of expenditure to be incurred on the activities referred to in clause 1 above; and

3. monitor the Corporate Social Responsibility Policy of the company from time to time.

iv) Risk Management Committee (RMC)

The Risk Management Committee comprises of Board of Directors of the Investment Manager.

The Composition of Risk Management Committee as on March 31, 2023 consists of the following members viz.:

1. Mr. Nikesh Jain, Chairman
2. Mr. Vinod Kumar Menon, Member
3. Mr. Rushabh Gandhi, Member

The Risk Management Committee was constituted w.e.f. March 31, 2023 and hence no meeting was conducted during the period ended March 31, 2023.

The terms of reference of RMC Committee inter-alia includes:

1. To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   (c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Trust;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

v) Stakeholders Relationship Committee (SRC)

The Stakeholders Relationship Committee comprises of Board of Directors of the Investment Manager.

The Composition of Stakeholders Relationship Committee as on March 31, 2023 consists of the following members viz.:

1. Mr. Nikesh Jain, Chairman
2. Mr. Vinod Kumar Menon, Member
3. Mr. Rushabh Gandhi, Member

The Stakeholders Relationship Committee was constituted w.e.f. March 31, 2023 and hence no meeting was conducted during the period ended March 31, 2023.

The terms of reference of SRC Committee inter-alia includes:

1. Resolving the grievances of the security holders including complaints related to transfer/ transmission of units, non-receipt of annual report, non-receipt of declared dividends/distribution, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by unitholders.

3. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividend/distribution and ensuring timely receipt of dividend/distribution warrants/ annual reports/statutory notices by the unitholders of the Trust.

Functions, Duties and Responsibilities of the Investment Manager

The functions, duties and responsibilities of the Investment Manager are in accordance with the Investment Management Agreement and the InvIT Regulations which inter alia includes the below but not restricted to the following:

a) to manage the day-to-day business and affairs of the Trust and provide administrative services in accordance with the provisions of Investment Management Agreement;

b) to make all investment decisions, concerning the investigation, selection, development, negotiation, structuring, restructuring, commitment or monitoring the investment decisions with respect to the Trust Assets, including any further investment or divestment of the assets and the appointment of the various advisors and service providers in connection with such investments, in accordance with the Trust's investment strategy and applicable laws;

c) to be responsible for the management of the Trust Fund along with the Trustee in accordance with the provisions of Investment Management Agreement, the Trust Documents and applicable laws;

d) to ensure that the Trust Assets have proper legal titles, if applicable, and that all the material contracts entered into on behalf of the Trust or the Project SPV are legal, valid, binding and enforceable by and on behalf of the Trust or the Project SPV.

The Board of the Investment Manager comprises of majority of the Independent Directors having extensive experience in Infrastructure Sector and Project financing. The business operations of the Investment Manager are managed by a team of professionals with experience in the road infrastructure sector.

Sponsor and the Project Manager

IRB Infrastructure Developers Limited is the Sponsor of the Trust. The Sponsor is one of the largest infrastructure development and construction companies in India. The Sponsor has been listed on the Stock Exchanges viz. National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) since 2008.

As of March 31, 2023; the Sponsor's portfolio comprises of 24 projects including 18 Build- Operate-Transfer (BOT), 2 Toll-Operate-Transfer (TOT) and 4 Hybrid Annuity Model (HAM) projects, during the reporting year, the Sponsor holds 13,739 lane kms of highways, of which it owns and operates 11,318* lane kms and manages 2,421 lane kms under InvIT Assets as a project manager. Currently, the Company has 2,161 lane kms under construction, including improvement of national highways and sections of the GQ Highway Network.

*Includes lane kms of thirteen projects of IRB Infrastructure Trust.

For more details about the Sponsor, please refer to the website of the Sponsor at www.irb.co.in

Functions, Duties and Responsibilities of the Project Manager

The Project Manager has agreed to provide professional services to carry out operations and management of the Project SPVs, including making arrangements for the appropriate maintenance, either directly or through the appointment of appropriate agents, in accordance with the terms and conditions of the relevant concession agreement, project implementation agreement and the InvIT Regulations.

Trustee

The Sponsor has settled the Trust pursuant to the Indenture of Trust dated October 16, 2015, as amended on February 17, 2017, and appointed IDBI Trusteeship Services Limited (the "Trustee") in accordance with the provisions of the InvIT Regulations.

The Trustee is registered with SEBI as a debenture trustee under the Debenture Trustees Regulations, having SEBI registration number IND000000460. The Trustee's SEBI registration certificate is valid unless it is suspended or cancelled by the SEBI.

Background of the Trustee

The Trustee is a trusteeship company registered with SEBI as a debenture trustee, and is jointly promoted by IDBI Bank Limited, Life Insurance Corporation of India and General Insurance Corporation of India for providing corporate and other trusteeship services.

The Trustee is permitted to engage in the following activities:

i) Debenture / bond trustee;

ii) Security trustee/ facility agent;

iii) Securitization trustee;

iv) Share pledge trustee / share monitoring agent;

v) Escrow agent;

vi) Venture Capital Fund (VCF) trustees/ Alternative Investment Fund (AIF) Trustees;

vii) Safe keeping / lockers services;

viii) Management of private trusts / execution of wills; and

ix) Special corporate services. (e.g. provision of nominee directors)

The Trustee has experience in providing trusteeship services to a range of corporates and institutions. The Trustee is not an Associate of the Sponsor or the Investment Manager. Further, Trustee (i) is not debarred from accessing the securities market by the SEBI; (ii) is not a promoter, director or person in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust which is debarred from accessing the capital market under any order or directions made by the SEBI; or (iii) is not in the list of the willful defaulters published by the Reserve Bank of India (RBI).

To the best of the knowledge of the Trustee, none of the promoters or directors of the Trustee (i) is debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or a sponsor, investment manager or trustee of an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; or (iii) is in the list of willful defaulters published by the RBI.

The Board of Directors of the Trustee as on March 31, 2023 is as follows:

Sr. No.	Name	Designation	DIN
1.	Mr. Pradeep Kumar Malhotra	Managing Director & CEO	09817764
2.	Mr. Samuel Joseph Jebaraj	Chairman	02262530
3.	Ms. Baljinder Kaur Mandal	Director	06652016
4.	Mr. Pradeep Kumar Jain	Director	07829987
5.	Ms. Jayashree Vijay Ranade	Director	09320683

Valuer

As per confirmation received from the Valuer, the detail of the Valuer is as follows:

Mr. S. Sundararaman
Registered Valuer
IBBI Registration Number - IBBI/RV/06/2018/10238
5B, “A” Block, 5th Floor, Mena Kampala Arcade,
New #18 & 20, Thiagaraya Road, T. Nagar,
Chennai 600 017

Review Opinion

DHC International Private Limited
Corporate Office: Constantia, “B” Wing,
7th Floor, 11, Dr. U. N Bhramachari street,
Kolkata, West Bengal 700 017

Unit Price Performance of the Trust

Particulars	2022-23		2021-22		2020-21		2019-20		2018-19		2017-18	
	BSE (₹)	NSE (₹)	BSE (₹)	NSE (₹)	BSE (₹)	NSE (₹)	BSE (₹)	NSE (₹)	BSE (₹)	NSE (₹)	BSE (₹)	NSE (₹)
Unit price quoted on the exchange at the beginning (Closing price of April 1/ *May 18, 2017)	52.78	52.73	56.27	55.68	26.35	26.30	67.60	67.30	82.71	83.29	101.79*	101.8*
Unit price quoted on the exchange at the end (Closing price of March 31)	67.64	67.49	52.43	52.59	53.40	53.55	25.54	25.61	66.69	66.05	82.05	82.04

Highest and Lowest Unit Prices for Financial year 2022-23

Particulars	BSE (₹)	NSE (₹)
Highest unit price (March 13, 2023)	72.9	72.98
Lowest unit price (May 16, 2022)	52.00	51.90

Yield Details:

Particulars	FY23	FY22	FY21	FY20	FY19
Yield(%)*	13.1%	16.1%	20.8%	17.6%	16.4%

* Calculated based on DPU divided by average unit price for the FY

Monthly highest and lowest unit price

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2022	56.96	52.60	56.70	52.50
May, 2022	56.65	52.00	56.84	51.90
June, 2022	57.98	53.10	55.70	53.70
July, 2022	57.48	55.02	57.95	54.80
August, 2022	57.90	54.02	56.95	54.01
September, 2022	60.70	54.1	60.50	56.05
October, 2022	62.70	59.05	62.49	59.00
November, 2022	65.44	58.90	65.24	59.01
December, 2022	67.99	60.10	67.78	61.51
January, 2023	67.50	64.25	67.64	64.00
February, 2023	68.50	63.28	68.45	63.30
March, 2023	72.90	65.05	72.98	65.21

Average daily volume traded

Month	Average daily volume	
	BSE	NSE
April, 2022	47,705.89	4,36,864.05
May, 2022	5,70,778.43	9,20,480.33
June, 2022	21,914.91	1,97,863.73
July, 2022	33,174.71	2,36,757.86
August, 2022	44,001.75	5,27,472.15
September, 2022	38,070.18	3,08,742.32
October, 2022	44,802.26	3,39,018.95
November, 2022	47,945.1	3,11,247.76
December, 2022	53,242.23	3,96,728.64
January, 2023	6,802.43	2,57,134.62
February, 2023	45,969.45	4,96,182.25
March, 2023	50,925.67	9,49,479.14

UNITHOLDING PATTERN FOR THE YEAR ENDED MARCH 31, 2023

Category	Category of Unit Holder	No. of Unit Held	As a % of Total Outstanding Units	No. of units mandatorily held		Number of units pledged or otherwise encumbered	
				No. of units	As a % of total units held	No. of units	As a % of total units held
(A)	**Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties**						
(1)	**Indian**						
(a)	Individuals / HUF	1,45,55,000	2.51	0	0	0	0
(b)	Central/State Govt.	0	0	0	0	0	0
(c)	Financial Institutions/Banks	0	0	0	0	0	0
(d)	Any Other (specify)						
	BODIES CORPORATES	9,27,05,000	15.97	0	0	0	0
	Sub- Total (A) (1)	**10,72,60,000**	**18.48**	**0**	**0**	**0**	**0**

Category	Category of Unit Holder	No. of Unit Held	As a % of Total Outstanding Units	No. of units mandatorily held		Number of units pledged or otherwise encumbered	
				No. of units	As a % of total units held	No. of units	As a % of total units held
(2)	**Foreign**						
(a)	Individuals (Non Resident Indians / Foreign Individuals)	0	0	0	0	0	0
(b)	Foreign government	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0
(d)	Foreign Portfolio Investors	0	0	0	0	0	0
(e)	Any Other (specify)	0	0	0	0	0	0
	Sub- Total (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**
	Total unit holding of Sponsor & Sponsor Group* (A) = (A)(1)+(A)(2)	**10,72,60,000**	**18.48**	**0**	**0**	**0**	**0**
(B)	**Public Holding**						
(1)	**Institutions**						
(a)	Mutual Funds	3,80,90,000	6.56	0	0	0	0
(b)	Financial Institutions/Banks	22,00,000	0.38	0	0	0	0
(c)	Central/State Govt.	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0
(e)	Insurance Companies	1,24,50,000	2.14	0	0	0	0
(f)	Provident/pension funds	3,62,313	0.06	0	0	0	0
(g)	Foreign Portfolio Investors	14,33,28,150	24.69	0	0	0	0
(h)	Foreign Venture Capital investors	0	0	0	0	0	0
(i)	Any Other (specify)	0	0	0	0	0	0
	Sub- Total (B) (1)	**19,64,30,463**	**33.84**	**0**	**0**	**0**	**0**
(2)	**Non-Institutions**						
(a)	Central Government/State Governments(s)/President of India	0	0	0	0	0	0
(b)	Individuals	19,73,68,379	34.00	0	0	0	0
(c)	NBFCs registered with RBI	4,50,000	0.08	0	0	0	0
(d)	Any Other (specify)						
	TRUSTS	8,50,680	0.15	0	0	0	0
	NON RESIDENT INDIANS	56,79,371	0.98	0	0	0	0
	CLEARING MEMBERS	30,077	0.01	0	0	0	0
	BODIES CORPORATES	7,24,31,030	12.48	0	0	0	0
	Sub- Total (B) (2)	**27,68,09,537**	**47.68**	**0**	**0**	**0**	**0**
	Total Public Unit holding (B) = (B)(1)+(B)(2)	**47,32,40,000**	**81.52**	**0**	**0**	**0**	**0**
	Total Units Outstanding (C) = (A) + (B)	**58,05,00,000**	**100.00**	**0**	**0**	**0**	**0**

* Out of the total units held by Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties, 1,45,55,000 units held by the persons in their individual capacity and not acting in concert with the Sponsor/ Investment Manager.

Distributions

The Investment Manager on behalf of the Trust has made distribution to the Unitholders in the following manner:

Financial Year	2022-23 (in ₹)	2021-22 (in ₹)	2020-21 (in ₹)	2019-20 (in ₹)	2018-19 (in ₹)	2017-18 (in ₹)
Interest	5.90	4.80	6.50	7.00	8.85	7.65
Return of Capital	2.15	4.20	2.00	3.00	3.40	2.90
Total	**8.05**	**9.00**	**8.50**	**10.00**	**12.25**	**10.55**

The Distribution was paid to Unitholders within time period stipulated in the InvIT Regulations.

Investor Complaints

The status of complaints is reported to the Board and the Trustee on a quarterly basis. During period ended March 31, 2023, the investor complaints received by the Company were general in nature, which were responded in time to the unitholders. Details of unitholders' complaints on quarterly basis are also submitted to stock exchanges.

Status report on number of Investor's complaints/requests received and replied by the Trust for the financial year 2022-23:

INVESTOR GRIEVANCE TABLE FOR THE FINANCIAL YEAR 01.04.2022 TO 31.03.2023

Complaints	All complaints including SCORES complaints	SCORES complaints
Number of investor complaints pending at the beginning of the year.	0	0
Number of investor complaints received during the year.	706	0
Number of investor complaints disposed of during the year.	706	0
Number of investor complaints pending at the end of the year.	0	0
Average time taken for redressal of complaints	1 Working Day	NA

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web-based complaints redress system.

The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Your Trust has been registered on SCORES and Investment Manager makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

Green Initiative

Investment Manager is concerned about the environment and utilizes natural resources in a sustainable way. The InvIT Regulations allows the Trust to send official documents to their Unitholders electronically.

In terms of the InvIT Regulations, Investment Manager propose to send documents like the Notice convening the general meetings, Financial Statements, Auditor's Report and other documents to the email address provided by you with the relevant depositories.

We request you to update your email address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred email.

Issue and Buyback of Units

During the Period, the Trust has not issued any additional Units. Further, during the period, the Trust has not bought back any Units.

Material Litigations and Regulatory Actions

Brief details of material litigations and regulatory actions, which are pending, against the Trust, sponsor(s), Investment Manager, Project Manager(s), or any of their associates and the Trustee if any, as at the end of the period are provided as "Annexure B".

Risk Factors

(In this section "We", "Our", "InvIT" means "the Trust and/ or Project SPVs owned by the Trust")

Risks Related to our Organization and the Structure of the Trust

1. The debt financing provided by the Trust to each of the Project SPVs comprises of certain unsecured, interest-free and interest-bearing loans as well as loans that is secured by a subordinate charge on (i) the cash flows deposited in the escrow account and (ii) the escrow account of such Project SPV. The payment obligations of the respective Project SPVs in relation to such debt financing will be subordinated to all existing and future obligations of the Project SPVs towards any secured senior lenders.

2. Any payment by the Project SPVs, including in an event of termination of the relevant concession agreement, is subject to a mandatory escrow arrangement which restricts their flexibility to utilize the available funds.

3. We must maintain certain investment ratios, which may present additional risks to us.

4. The Valuation Report, and any underlying reports, are not opinions on the commercial merits of the Trust or the Project SPVs, nor are they opinions, expressed or implied, as to the future trading price of the Units or the financial condition of the Trust upon listing, and the valuation contained therein may not be indicative of the true value of the Project SPVs' assets.

5. Certain of the Project SPVs have experienced losses in prior years and any losses in the future could adversely affect our business, financial condition and results of operations, our ability to make distributions to the Unitholders and the trading price of our Units.

6. We may not be able to make distributions to Unitholders or the level of distributions may fall.

Risks Related to Our Business and Industry

7. Our failure to extend applicable concession agreements or our inability to identify and acquire new road assets that generate comparable or higher revenue, profits or cash flows than the Project SPVs may have a material adverse impact on our business, financial condition and results of operations and our ability to make distributions.

8. The Project SPVs' toll-road concessions may be terminated prematurely under certain circumstances.

9. A decline in traffic volumes would materially and adversely affect our business prospects, financial condition and results of operations and our ability to make distributions to Unitholders.

10. Certain investigations are pending against the Related Parties of the Sponsor, the outcome of which may materially and adversely affect the Sponsor / our reputation, business and financial condition.

11. IRB Tumkur Chitradurga Tollway Limited (IRBTC) and M.V.R. Infrastructure and Tollways Limited (MVR) are required to pay annual premiums / negative grants in consideration for being granted the right to build and operate their respective projects. Failure to make such payments could result in the termination of the relevant concession agreement by the NHAI.

12. Changes in the policies adopted by governmental entities or in the relationships of any member of the Trust Group with the Government or State Governments could materially and adversely affect our business, financial performance and results of operations.

13. Certain provisions of the standard form of concession agreement may be non-negotiable or untested, and the concession agreements may contain certain restrictive terms and conditions which may be subject to varying interpretations.

14. We may be subject to increases in costs, including operation and maintenance costs, which we cannot recover by increasing toll fees under the concession agreements.

15. Certain actions of the Project SPVs require the prior approval of the NHAI, and no assurance can be given that the NHAI will approve such actions in a timely manner or at all.

16. Leakage of the toll fees on the Project SPVs' roads may materially and adversely affect our revenues and financial condition.

17. We will depend on certain directors, executive officers and key employees of the Investment Manager, the Project Manager and the Project SPVs, and such entities may be unable to retain such personnel or to replace them with similarly qualified personnel, which could have a material, adverse effect on the business, financial condition, results of operations and prospects of the Trust Group.

18. There can be no assurance that we will be able to successfully undertake future acquisitions of road assets or efficiently manage the infrastructure road assets we have acquired or may acquire in the future.

19. The Project SPVs' concessions are illiquid in nature, which may make it difficult for us to realise, sell or dispose of our shareholdings in the Project SPVs.

20. The Project SPVs may be required to undertake certain development of the Road Assets owned by the Trust, which may present additional risks to us.

21. The Project SPVs may not be able to comply with their maintenance obligations under the concession agreements, which may result in the termination of the concession agreements, the suspension of the Project SPVs' rights to collect tolls or the requirement that the Project SPVs pay compensation or damages to the NHAI.

22. Our insurance policies may not provide adequate protection against various risks associated with our operations.

23. The Project SPVs, the Sponsor, the Investment Manager, the Project Manager and the Trustee are involved in certain legal and other proceedings, which may not be decided in their favour.

24. We do not own the "IRB" trademark and logo. Our license to use the "IRB" trademark and logo may be terminated under certain circumstances and our ability to use the trademark and logo may be impaired.

25. We will depend on various third parties to undertake certain activities in relation to the operation and maintenance of the Initial Road Assets. Any delay, default or unsatisfactory performance by these third parties could materially and adversely affect our ability to effectively operate or maintain the Initial Road Assets.

26. The Project SPVs may be held liable for the payment of wages to the contract labourers engaged indirectly in our operations.

27. Our contingent liabilities could adversely affect our results of operations, cash flows and financial condition.

28. Our actual results may be materially different from the expectations expressed or implied in the Revenue, Profit and Cash Flow Projections and the assumptions in

the Final Offer Document are inherently uncertain and are subject to significant business, economic, financial, regulatory and competitive risks and uncertainties that could cause actual results to differ materially from those projected.

29. Our business will be subject to seasonal fluctuations that may affect our cash flows.

30. The Initial Road Assets are concentrated in the infrastructure sector and toll-road industry in India, and our business could be adversely affected by an economic downturn in that sector or industry.

31. Political and other agitations against the collection of tolls may affect our ability to collect tolls over prolonged periods, which could have a material, adverse effect on our business, results of operation and financial condition.

32. The cost of implementing new technologies for collection of tolls and monitoring our projects could materially and adversely affect our business, financial condition and results of operations.

33. We may be unable to renew or maintain the statutory and regulatory permits and approvals required to operate the Initial Road Assets.

34. Compliance with, and changes in, safety, health and environmental laws and regulations in India may materially and adversely affect our business.

35. The Project SPVs' financing agreements entail interest at variable rates, and any increase in interest rates may adversely affect our results of operations, financial condition and cash flows.

36. The Project SPVs are subject to restrictive covenants under their financing agreements that could limit our flexibility in managing our business or to use cash or other assets.

37. We have obtained a credit rating of IND AAA for the senior debt of the Trust from India Ratings and Research, assuming the Trust's consolidated "external debt" (including debt availed by InvIT and the Project SPVs from banks and institutions but excluding debt infused by InvIT into the Project SPVs) as on December 31, 2022 would be up to ₹ 15.69 billion. We have also obtained a credit rating of CARE AAA from CARE Ratings, assuming that the debt exposure of the Trust Group at ₹ 16.08 billion as on November 30, 2022. Any downgrade of our credit rating may restrict our access to capital and materially and adversely affect our business, financial condition and results of operations.

38. We will enter into related-party transactions. There can be no assurance that we could not have achieved more favourable terms if such transactions had been entered into with third parties.

39. In HAM concession agreement, our income from operation and maintenance is linked with the movements of inflation indices in a relevant period and income from interest on the balance completion cost is linked with RBI Bank Rate. However, there are no specific provisions in our concession agreements protecting us against increases in interest rates or cost of raw materials except to the limited extent of rates linked to inflation and the RBI Bank Rate.

Risks Related to the Trust's Relationships with the Sponsor and the Investment Manager

40. The Sponsor, whose interests may be different from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust.

41. The Right of First Offer (ROFO)/ Right of First Refusal (ROFR) Deed and the Future Assets Agreement will terminate in certain circumstances and shall be subject to the terms of the concession agreement and applicable law.

42. The Sponsor is a listed company and operates other road assets, and anything that impacts the business, results of operations and trading price of the Sponsor's equity shares may have a material, adverse effect on the Trust and the trading price of the Units.

43. The Investment Manager may not be able to implement its investment or corporate strategies and the fees payable to the Project Manager are dependent on various factors.

44. Parties to the Trust are required to maintain the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. The Trust may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.

45. The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust. There can be no assurance that the Investment Manager will be able to comply with such requirements.

Risks Related to Tax

46. Changes in legislation or the rules relating to tax regimes could materially and adversely affect our business, prospects and results of operations.

47. Some of our road assets enjoy certain benefits under Section 80-IA of the Income Tax Act and any change in these tax benefits applicable to us may materially and adversely affect our results of operations.

48. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations.

49. Entities operating in India are subject to a variety of Government and State Government tax regimes and surcharges and changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect our business.

50. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units. The provisions of the Income-tax Act, 1961 (Act) provide that the dividend received from a business trust (REITs/ InvITs qualify as a business trust under the Act) is taxable in the hands of the unitholders where the Special Purpose Vehicle (SPV) in which the business trust holds a controlling interest (and which has declared dividends to the business trust which have been, in turn, declared/ distributed by the business trust to its unitholders) has opted to be governed by the provisions of section 115BAA of the Act.

Annexure A

Summary of Valuation Report

I. Summary of Valuation

I. a) Background & Scope

IRB Infrastructure Developers Limited (hereinafter referred to as "IRB") is a listed infrastructure development company, undertaking development of various infrastructure projects via the Public Private Partnership ("PPP") model in the toll road sector. IRB has sponsored and floated an Infrastructure Investment Trust ("Trust") which has been registered as IRB InvIT Fund (hereinafter referred to as the "InvIT") under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 and subsequent amendment ("the InvIT Regulations"). The Units issued by the InvIT got listed on both the BSE Limited and the National Stock Exchange of India Limited on May 18, 2017.

Based on the discussions with the management of InvIT, we understand that as per Chapter V and Regulation 21(4) of the InvIT Regulations an annual valuation of the assets of the Trust shall be conducted by an independent valuer at the end of the financial year ending as on March 31 for a publicly offered InvIT.

For this purpose, the InvIT and IRB Infrastructure Private Limited ("Investment Manager") (hereinafter both together referred to as "Client") has requested for my assistance to act as the "Valuer of the InvIT" and carry out fair valuation of the InvIT in accordance with the InvIT Regulations as on March 31, 2023 ("Valuation Date").

I declare that:

- I am competent to undertake the valuation
- I am independent and have prepared the Report on a fair and unbiased basis
- I have valued the SPVs based on the valuation standards as specified under sub-regulation 10 of regulation 21 of the InvIT Regulations.

I. b) Valuation Approach & Assumptions

We have estimated the fair value of the InvIT using Sum of the Parts method by adding the individual Enterprise Value (EV) of each SPV and adjusting with below the line items of the consolidated unaudited financials of the InvIT as on March 31, 2023. EV of each SPV has been estimated using Discounted Cash Flows ("DCF") method under the Income Approach.

For the purpose of this valuation exercise, the Valuer has been provided with the financial projections of the SPVs under Indian Accounting Standard (IND AS) by the management of Investment Manager of IRB InvIT Fund (hereinafter referred to as the "Management") as on the Valuation Date. The projections are based on the best judgement of the Management on the future cash flows supported by the traffic surveys conducted by an independent traffic consultancy firm GMD Consultants, i.e. the technical report consultant.

In addition to the aforementioned financial projections, the following approach and assumptions have been considered for the valuation exercise:

- The Free Cash Flows to Firm under the Discounted Cash Flow Method has been used for the purpose of the valuation of each of the SPVs.

- The Weighted Average Cost of Capital for each of the SPVs has been considered as the discount rate for respective SPVs for the purpose of valuation.

I. c) Conclusion of Value

Based on the methodology and assumptions discussed above, we have arrived at the Fair Enterprise Value ("EV") of all the Six SPVs as on the Valuation Date.

Table 1.1: Fair Enterprise Value of all the Six SPVs as on the Valuation Date (INR Millions)

Name of the SPV	Fair Enterprise Value
IRB Talegaon Amravati Tollway Limited	9,316
IRB Jaipur Deoli Tollway Limited	18,812
IRB Tumkur Chitradurga Tollway Limited	20,724
MVR Infrastructure & Tollways Limited	3,503
IRB Pathankot Amritsar Toll Road Limited	16,308
VK1 Expressway Limited	13,779
Total Fair Enterprise Value of all the Six SPVs	**82,442**

The Fair Enterprise Value of all the Six SPVs have further been adjusted for net debt, working capital and net impact of other long term assets/ liabilities based on the consolidated unaudited financial statements of the InvIT as on March 31, 2023 to arrive at the Fair Value of the InvIT as on the Valuation Date.

Annexure B

MATERIAL LITIGATION AND REGULATORY ACTION

Except as stated in this report and annexure(s), there is no material litigation or regulatory action, pending against (i) the Trust, the Sponsor, the Investment Manager, the Project Manager, the Trustee, and (ii) the Associates of the Trust, the Sponsor, the Project Manager and the Investment Manager. As per confirmation provided by the Sponsor, the Project Manager or their Associates, except as stated in this report and annexure(s) (i) There are no material update on litigations & regulatory actions against them disclosed earlier (ii) There are no additional material litigations or regulatory actions which may have bearing on their activities or revenues or cash flows.

Material Litigation against the Investment Manager and the Project SPVs

IRB Infrastructure Private Limited

Pending Civil Litigation against IRB Infrastructure Private Limited

Anishaben ("Appellant") preferred an appeal before the Additional District Judge of Nadiad against Special Land Acquisition Officer, the IRB Infrastructure Pvt. Ltd., NHAI and Collector, Kheda ("Respondents") seeking that the order ("Order") passed by the Additional Senior Civil Judge, Nadiad be dismissed on account of erroneous assessment of documental proofs and other proofs. Pursuant to the Order, the Appellant's tentative stay order under Order 39 Rule 1 of the CPC was rejected by the Additional Senior Civil Judge, Nadiad on the grounds that the public interest would be hampered if the stay was imposed. The Appellant had originally filed a civil case bearing No. 168 of 2015 before the Principal Senior Civil Judge, Nadiad against the Respondents seeking that the Respondents be prohibited from constructing, farming, entering the Appellant's land or constructing any illegal structure on the ground that the alleged construction by Respondents resulted in causing damage to the crops of the Appellant and was done without completing the procedure for land acquisition. The matter is currently pending.

Pending Regulatory Action against IRB Infrastructure Private Limited

The Assistant Conservator of Forests, Forest Department, Pune, has issued notice to the Investment Manager directing to show cause as to why no legal proceedings should be initiated against the Investment Manager under the provisions of the Indian Wildlife Protection Act, 1972, for negligence on the part of the Investment Manager in the installation and repairing of the compound adjoining the Mumbai – Pune Expressway which is meant to prevent wild animals from entering the highway. Such alleged negligence resulted in the death of 1 (one) male leopard. The notice demands the Investment Manager to record its statement personally in the offices of the Assistant Conservator of Forests, Forest Department, Pune. Mhaiskar Infrastructure Private Limited has replied to the said notice refuting the allegations of negligence. No further communication has been received in this regard.

IRB Jaipur Deoli Tollway Limited ("IJDTL")

Pending Civil Litigation against IJDTL

Jagannath University (the "Petitioner") had filed a writ petition before the Rajasthan High Court against the project manager of IJDTL and certain others (the "Respondent") seeking that the Respondents be directed to issue monthly pass to the buses/ vehicles of the Petitioner for the toll fee of ₹ 215 per month as per the notification dated April 8, 2013 and (b) any other appropriate relief in favour of the Petitioner which the court deems fit. The said relief has been sought on the alleged grounds that the Respondents had previously issued a monthly pass of a higher denomination without taking into consideration the non-commercial nature of the vehicles of the Petitioner, which was in violation of Clause 3 of the notification dated April 8, 2013. Further, the Petitioner has also filed a stay application before the Rajasthan High Court seeking that during the pendency of the writ petition, the Respondents be directed to permit the vehicles of the Petitioner on the toll fee of ₹ 215 per month. The project manager of IJDTL has filed its reply denying the averments made by the Petitioner. The matter is currently pending.

IRB Pathankot Amritsar Toll Road Limited ("IPATRL")

Other Proceedings involving IPATRL

1. IPATRL has initiated arbitration proceedings against National Highways Authority of India ("NHAI") before the Hon'ble Arbitration Tribunal. IPATRL requested to NHAI to extend the concession period by 518 days, and requested to release compensation of ₹ 252.25 crores incurred during the extended period, as the Extension of Time (EOT) of 518 days was duly recommended by the Independent Engineer for delay in completion of

construction on account of the reasons not attributable to IPATRL. However, NHAI rejected the claims of IPATRL. Subsequently, IPATRL invoked arbitration against NHAI.

The Hon'ble Arbitral Tribunal pronounced unanimous Award on July 13, 2021 in favour of IPATRL and granted, i) extension in Concession Period by 518 days; ii) compensation of ₹ 252.251 Crores along with 9% interest w.e.f. November 27, 2014 till the date of realisation; and iii) cost of arbitration of ₹ 1.58 Crores. Further, the Hon'ble Tribunal passed an order on July 27, 2021 incorporating the factual corrections in the Award in response to IPATRL's application under Section 33 of the Arbitration and Conciliation Act 1996. IPATRL submitted a demand to NHAI requesting for implementation of the terms of the said Award. However, NHAI challenged Award in the Delhi High Court and filed a petition under section 34 under Arbitration and Conciliation Act 1996 on November 26, 2021 which was dismissed by the Court on March 8, 2022. IPATRL has served a legal notice for execution of the Award on March 30, 2022. However, no response was received from NHAI. Thereafter, on May 10, 2022, NHAI filed appeal under Section 37 against the Delhi High Court (Section 34) order dated March 8, 2022. The matter is pending.

Meanwhile, the IPATRL had filed application for execution of Section 34 order dated March 8, 2022 in the Delhi High Court. The Court vide its order dated May 20, 2022 had directed NHAI to release 75% of the arbitral amount awarded in terms of the decision of the Cabinet Committee and the SOP within 2 weeks. Pursuant to the Order dated May 20, 2022, IPATRL complied with the SOP of NHAI and submitted a BG of ₹ 317.3 crores on May 24, 2022 towards release of 75% of Payout Amount. Subsequently, NHAI released net amount of ₹ 310.91 crores after statutory deductions. The matter is pending.

2. In the month of September 2020, Government of India passed three new Farm bills in the Parliament. This drew flak among some group of farmers in the state of Punjab who forcefully stopped the operation of the toll plazas in Punjab. IPATRL had notified this event as the Force Majeure under Indirect Political Event and submitted its claim for the period i.e. October 1, 2020 to December 15, 2021 amounting to ₹ 121.28 crores and consequent extension to Concession Period by 441 days in terms of Clause 34.7.2 (b) and 34.6.2 (b) of the Concession Agreement respectively. Since no written settlement reached between the Parties, IPATRL crystallised this matter as the dispute and subsequently invoked arbitration as per Clause 44.3 of the Concession Agreement. As per request of NHAI, the arbitration was kept in abeyance and the matter was referred for conciliation through CCIE-1. Meanwhile, NHAI paid a partial amount of ₹ 36.03 Crore on August 25, 2022 and approved extension in Concession Period by 436 days. IPATRL to request for resuming the Conciliation through CCIE-1 for balance claim amount and extension to Concession Period by 441 days. The matter is pending.

Pending Regulatory Action involving IPATRL

Employees' State Insurance Corporation, sub-regional office Marol ("ESI") issued a notice to IPATRL demanding payment of ₹ 83,637/- towards pending employers' contributions and employees' contributions required to be paid by IPATRL, in its capacity as the principal employer, under Section 40 read with Section 39 of the Employees' State Insurance Act, 1948. Further, ESI has also directed IPATRL to show cause as to why the assessment of an amount of ₹ 5.83 million towards contributions payable in respect of the employees should not be recovered from IPATRL. IPATRL has replied to the aforementioned notice. No further communication has been received in this regard.

IRB Surat Dahisar Tollway Limited ("ISDTL")

Pending Civil Litigation against ISDTL

1. Mr. Vasantrai Harilal Gohil and Mr. Vijay Vasantrai Gohil (the "Plaintiffs") have filed a special civil suit before the Court of the Civil Judge (Senior Division) at Vasai, against the Sponsor, certain directors of the Sponsor and ISDTL. The Plaintiffs have alleged that on January 5, 2011, certain employees of the Sponsor acted violently and forcefully with them when they could not provide a money change at the toll plaza at Khanivade, Taluka Vasai. The Plaintiffs have alleged that they were chased, threatened and beaten by the employees of the Sponsor which resulted in serious injuries. The Plaintiffs have sought a direction that the Sponsor and its directors be directed to pay the medical expenses of ₹ 0.5 million incurred by the Plaintiffs along with damages of ₹ 50 million with interest. The Plaintiffs have also sought a direction from the court requiring the Sponsor and the directors to disclose on oath, their respective movable and immovable property and to record charge of ₹ 50.5 million over such property until the decretal amount is paid. The Plaintiffs have filed an application for adding ISDTL as a necessary party in the suit. The ISDTL, its directors and employees have filed their reply in the matter. The Civil Judge (Senior Division) at Vasai has vide its Judgement dated July 9, 2019 directed the respondents jointly and severally to pay ₹ 50 Lakh with interest at the rate of 9% p.a. to the Plaintiffs. ISDTL has filed writ petition in Bombay High Court challenging the Judgement of the Vasai Court Dated July 9, 2019. The plaintiffs have also challenged the judgement before the Bombay high court. Both the matters are pending.

2. Jimmy Gonsalves and another (the "Petitioners") have filed a public interest litigation before the High Court of Bombay against the MoRTH, NHAI, ISDTL and Ideal Road Builders Private Limited and certain others (the

"Respondents"). The Petitioners have inter alia alleged that commuters are facing hardship and inconvenience due to traffic at Varsova Creek bridge and that ISDTL has denied its duty to build a new bridge on Varsova Creek, and have sought inter alia, that MoRTH be directed to take steps for the construction of a third bridge on Varsova Creek and that all vehicles travelling from Khaniwade toll on NH-8 and Ghodbunder Road toll on the state highway be exempt from toll till the completion of said new bridge. ISDTL and Ideal Road Builders Private Limited are yet to file their respective replies in this matter. The matter is currently pending.

M.V.R. Infrastructure and Tollways Limited ("MITL")

Pending Civil Litigation against MITL

Certain colleges in Salem (the "Petitioners") have filed 25 writ petitions before the High Court of Madras, against MITL and others (collectively the "Respondents") alleging the legality of act of collecting entry fee at increased rates from college buses. The Petitioners have sought the directions against Respondents to collect entry fee at toll plaza for educational institution vehicles at par with that of school buses. An order was passed by the High Court of Madras, which took into consideration various petitions filed against MITL regarding the above mentioned issue and held that the discounted rates were only applicable to school buses carrying school students and not to college buses. However, the High Court of Madras passed an order granting an interim stay and ordered MITL to collect entry fee from the college buses of the Petitioners at par with the rates applicable to school buses. The High Court of Madras has dismissed the petitions filed by the 7 colleges / educational institutions. The matters filed by the other colleges / educational institutions are currently pending.

Other Proceedings involving MITL

1. MITL had initiated arbitration proceedings against National Highways Authority of India ("NHAI") before the Arbitration Tribunal for its claim to the tune of ₹ 5.14 Crores (towards positive Change of scope for construction of additional arm of flyover) and ₹ 0.26 Crore (negative Change of Scope on account of deletion of 19 hume pipe culverts) (hereinafter referred to as "Reference 1"). The conciliation meeting between NHAI and MITL meeting was concluded. As NHAI did not respond on the matter, MITL invoked Arbitration proceedings against NHAI. The arbitration proceedings have concluded and the Hon'ble Arbitral Tribunal has pronounced the Award in favour of MITL on February 17, 2022 and NHAI was directed to pay ₹ 4,89,71,505/. In case the payment is not made within a period of two months, MITL will be entitled to interest @ 8% per annum from the date of Award till date of payment of the aforesaid amount by the NHAI to the MITL.MITL filed an application in the Hon'ble Delhi High Court for enforcement of the Arbitral Award on September 19, 2022. The matter is pending.
2. National Highways Authority of India ("NHAI") had filed an application for permission to file Additional Counter Claim on February 28, 2020 in the arbitration matter Reference 1. Hon'ble Arbitral Tribunal has directed that the amendment with respect to the counterclaim of NHAI will be dealt with in a separate proceeding simultaneously with the (Reference 1) proceedings. Thus, the arbitration proceedings initiated by NHAI (Claimant) before the Hon'ble Tribunal for ₹ 12.61 Crore (Flyover at KM188/850 – left out structure on LHS) & ₹ 7.77 Crore (towards provision of safety structure i.e. pedestrian guard rail & safety barriers) (hereinafter referred to as "Reference 2"). The arbitration proceedings are in progress and the matter is pending.

Taxation Proceedings involving MITL

There are one direct tax proceedings pending against MITL, which involve an aggregate amount of ₹ 9.46 million.

IDAA Infrastructure Limited ("IDAAIL")

Taxation Proceedings involving IDAAIPL

There are one indirect tax proceedings pending against IDAAIL, which involve an aggregate amount of ₹ 9.37 million.

IRB Tumkur Chitradurga Tollway Limited (ITCTL)

Other Proceedings involving IRB Tumkur Chitradurga Tollway Limited

Due to a dispute on the deferred premium calculation of the previous years and revocation of deferment sanction between the IRB Tumkur Chitradurga Tollway Limited (Subsidiary Company or Concessionaire) and the NHAI, the Concessionaire had filed an appeal with the Honorable High Court of Delhi against the Section 9 order dated November 25, 2019. As per the interim order of the Division Bench of Honorable Delhi High Court, withdrawals from Escrow Account are not permitted till final order in the matter. NHAI has also appealed against the order dated November 25, 2019. The matter has been disposed off by the Division Bench and referred to Arbitration. The Arbitration Tribunal has been constituted and the Concessionaire has already filed the appeal for relief from the embargo on escrow account. The Learned Tribunal by its order dated July 14, 2022 directed NHAI to withdraw ₹ 97.8 Crore as an interim relief and subsequently by interim order dated August 9, 2022, Learned Tribunal further directed NHAI to withdraw ₹ 453.9 Crore and ITCTL to withdraw ₹ 193 Crore from the Escrow Account. The embargo on the operation of Escrow Account was also lifted. ITCTL also filed a Statement of Claim on September 20, 2022 seeking consolidated compensation of ₹ 94.98 Crore + interest and consolidated extension to Concession Period of 138.03 days. Concessionaire filed a Statement of Claim on September 20, 2022 seeking consolidated compensation of ₹ 94.98 Crore + interest and consolidated extension to Concession period of 138.03 days. The arbitration proceedings are in progress and the matter is pending.

IRB Talegaon Amravati Tollway Limited

Arun Rohidas Patil has filed Public Interest Litigation in Bombay High Court, Nagpur Bench, alleging the quality of various roads in Maharashtra. The petitioners have alleged that the quality of roads from Nagpur to Dhule is not in good condition and there are pot holes on the road. The IRB Talegaon Amravati Tollway Limited is recently involved in this Public Interest Litigation after the order of High Court to make concessionaire as a party in the Public Interest Litigation. The company is not yet served with the copy of the petition and not made a party in the matter yet. The matter is pending.

Material Litigations against the Trustee

Pending Civil Litigations against the Trustee

1. **Hubtown Limited (the "Plaintiff")** had filed a case before the High Court of Bombay against the Trustee and its directors (the "**Defendants**") for having informed the bankers of the Plaintiff regarding the defaults committed by the Plaintiff. The Trustee has stated that the Plaintiff is a guarantor for the debt for which the Trustee is acting as a debenture trustee and in case of defaults, the relevant documents authorize the Trustee to share information about such default to CIBIL/RBI and other creditors. The aggregate amount claimed is ₹ 3,000 million. The matter is currently pending in the Court for settlement. The matter is also before the Mediator under Arbitration & Conciliation Act, 1996. The present matter was only a small part of a larger complex dispute that is being sought to be resolved between multiple parties, of which only two parties are before the Mediator (ITSL and Vinca) and that once a decree is passed by the Bombay High Court in terms of the consent terms, parties will withdraw all other proceedings filed against each other, including the present Suit.

   The Consent Terms filed before Bombay High Court on March 3, 2023. At the request of the Plaintiff that the disputes in the present matter has been settled out of Court and seeks leave to withdraw the suit, BHC vide its Order dated the March 20, 2023 dismissed the suit as withdrawn.

2. **SBI Cap Trustee** (the "**Plaintiff**") had filed a suit before the City Civil Court, Bangalore against the Trustee and others (the "**Defendants**") requiring sale of pledged shares for a particular price by SREI Fund/Investors, for whom the Trustee was acting as the share pledge trustee. India Competitive Global Fund (ICGC) acting through the SREI Investment Manager had a First & Exclusive Charge over the Pledged shares. At the instructions of the ICGC & SREI Investment Manager had transferred the Pledged shares to their demat account as they has First & Exclusive right over the shares. We as Share Pledge Trustee has acted on the instructions of the Lenders/Investors. ICGC/SREI sold the shares and appropriated the amounts towards their dues and transferred the surplus amount to the Plaintiff. The Plaintiff is acting for a consortium of lenders and has residual interest. The Plaintiff's case is that the ICGC/SREI has appropriated more amount than their dues. The aggregate claim amount is ₹ 1,550.3 million. The Branch Manager of SBI along with their counsel submitted to the Court that they are willing to explore settlement. The Court referred the matter for pre-conciliation efforts. In the afternoon session, our Advocate appeared before the Conciliator. Advocate briefly explained the dispute to the Conciliator. The Plaintiff informed the Conciliator that if Trinity provides the details of the loan transaction and a statement of accounts in relation to the same, this information would help them resolve the dispute quickly. The case was listed on September 30, 2021 for further conciliation. As no representative was present on behalf of the Company, the Court has recorded that there is no settlement between the parties. The case was adjourned to October 27, 2021 for the parties to proceed with the litigation. The case is now revolving around the proving of the dues by ICGC/SREI and appropriation of amounts. We as ITSL had no role in sale of shares, maintenance of books of accounts and appropriation of amounts and transfer of surplus amount. The matter was adjourned to November 16, 2021 for framing of Issues, November 23, 2021 for filing of list of witnesses ICGC, SREI & ITSL, for filing of affidavit of evidence by SBI, December 7, 2021 for cross examination of witnesses of SBI, December 14, 2021 for filing of affidavit of evidence by ICGC/SREI /Trinity/ITSL and December 21, 2021 for cross examination of witnesses of Trinity and ITSL and January 7, 2022 for further orders. We as ITSL has filed an application under Order 1 Rule 10(2) read with Section 151 of the Code of Civil Procedure, 1908 for unsuiting ITSL from the suit and for deleting the name of ITSL from the array of the parties. The matter is now listed on June 30, 2022 for arguments on the application of ITSL for deleting the name of ITSL from the array of the parties. ITSL has no role in sale of shares & appropriation of sale proceeds. The Plaintiff appeared and filed the amended plaint and copies of the documents in two volumes (volume I consisting of 410 pages and volume II consisting of 598 pages). The Learned Judge upon examining the volumes observed that the Plaintiff had not filed the statement of truth. Therefore, the Learned Judge adjourned the matter for filing the statement of truth and additional written statement, if any. ITSL has filed its additional Written Statement on August 12, 2022. The matter adjourned to January 25, 2023 for the reply arguments by the Defendants 2 & 3. The main contention taken by the Plaintiff Advocate while arguing on IA is that they are entitled for complete residual dues which Defendant No 2 & 3 have received while selling the pledged shares. Now the matter is posted on March 23, 2023 for hearing on IA by Defendant No 2 and 3.

3. **Balmer Lawrie and Company Limited** and another (the “**Plaintiffs**”) had filed a petition before the Calcutta High Court against the Trustee and certain others (the “**Defendants**”) challenging the validity of the sale transaction of 1,48,20,000 shares in Transafe Services Limited by the Defendant to the Plaintiff. The Plaintiffs have inter alia sought (a) the recovery of consideration received by the Defendants for the allegedly void contract being ₹ 237.12 million and (b) interest at the rate of 18% per annum on the decretal amount. The success of the Petitioner against the Trustee in the instant petition being agitated is remote. The matter is currently pending.

4. **Future Corporate Resources Limited** (FCRL) in the matter of FCRL ESOP Trust, SEBI Adjudicating Officer has passed an order dated the February 3, 2021, on the ground of insider trading against eight persons including FCRL Employees Trust of which ITSL is a trustee. FCRL along with FCRL Employee Welfare Trust has been jointly and severally directed to disgorge an amount of ₹2,75,68,650/-. ITSL has submitted that ITSL as a trustee has acted on the instructions of the committee and not liable for insider trading and has not gained or received any amount. ITSL and FCRL Employee Welfare Trust are separate. All the said persons have filed an appeal before SAT against the said SEBI Order dated the February 3, 2021. SAT has given the next date of hearing on April 18, 2023. The order is against FCRL Employees Trust and not against ITSL. The matter is sub-judice.

5. **Muthoot Finance Ltd. Vs. Trustees Association of India (TAI),** ITSL, Axis Trustee & SBICAP Trustee) - (Case No.29 of 2021) before Competition Commission of India (CCI).

   On September 10, 2021, the Competition Commission of India (CCI) received an information from Muthoot Finance Limited (Informant) against Trustees Association of India (TAI) and three of its members, i.e., IDBI Trusteeship Services Limited, Axis Trustee Services Limited, and SBI CAP Trustee Company Limited (collectively referred to as ‘OPs’) for alleged contravention of Sections 3(3) and 4 of the Competition Act, 2002 (Competition Act) (hereinafter referred to as the ‘Information’). i.e. for entering into anti-competitive agreement and formation of Cartel CCI.

   The CCI has passed an order dated December 23, 2021 under Section 26(1) of the Competition Act, 2002 (Competition Act) directing the Director General to investigate the conduct of Trustees’ Association of India’s (TAI), IDBI Trusteeship Services Limited (IDBI), Axis Trustee Services Limited and SBICAP Trustee Company (together referred to as the ‘OPs’) and its office bearers for prima facie violating Section 3(1) read with Section 3(3) of the Competition Act (Prima Facie Order) dealing with anti-competitive horizontal agreement (including cartel).

   TAI, ITSL, Axis Trustee & SBICAP Trustee filed Civil Writ Petition Nos. 3781 of 2022, 3791 of 2022, 3842 of 2022 and 3847 of 2022 respectively before Bombay High Court challenging the jurisdiction of CCI as the SEBI as Sectoral Regulator has Jurisdiction to decide the matter. The matter has been adjourned to February 15, 2023 for hearing on Application by CCI for vacation of Stay.

   At the hearing held on February 21, 2023, the Bombay High Court directed CCI to first decide the jurisdictional issue, leaving all other contentions open. Matter to go before CCI.

   We have filed detailed application on March 21, 2023 before CCI to decide upon jurisdiction and as opined by SEBI test laid down in the case of Bharti Airtel is not satisfied, therefore, recall the Prima Facie Order and forthwith close the proceedings against TAI (including Respondent DTs).

6. **R.K. Mohata Family Trust Vs. ITSL & Ors.**

   One Mr. R. K. Mohata Family Trust has filed Commercial Suit (lodging) No. 27568 of 2021 before Bombay High Court against ITSL & RHFL praying for holding of meeting of debenture holders of RHFL as also damages of ₹ 1,05,50,902 against ITSL towards his investment. Hon’ble Bombay High Court vide their orders dated the March 31, 2022 read with the Order dated the April 6, 2022 and the order dated the May 10, 2022 directed ITSL to hold the meeting of debenture holders. ITSL convened a meeting of the debenture holders on May 13, 2022 and as directed by Hon’ble Bombay High Court and the Results of the voting of meeting have been placed before the Hon’ble Bombay High Court in sealed cover. The matter is sub-judice before the Hon’ble Bombay High Court. Authum (AIIL) filed an appeal before the Hon’ble Supreme Court against the order of BHC. The matter was listed for hearing on January 31, 2023. The matter was part heard and thereafter adjourned.

   Arising out of SLP© No. 411 of 2023 filed by Authum Investments & Infrastructure Ltd. (AIIL) Vs. R. K. Mohtta Family Trust & Ors, Supreme Court vide their Order dated the March 3, 2023 allowed the Resolution Plan filed by AIIL and directed AIIL to make the payments prior to March 31, 2023.

7. **SCR 109885 - 1/394/14 - J Patel & 68 Others (All investors of Dynamic India Fund III) Vs. Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL, before Supreme Court of Mauritius.**

Suit is filed by investors seeking compensation and damages of ₹ USD 103,699,976 for the loss of their investments in Dynamic India Fund III from Dynamic India Fund III, International Financial Services, ICICI Venture Funds Management Company Limited, ICICI Bank and ITSL.

All the Defendants including ICICI Venture have raised preliminary objections to the Suit.

DIF III has raised five preliminary objections to the Suit viz. (i) Plaintiffs have been wrongly styled; (ii) Suit is a disguised derivative action and the appropriate court to hear it is the Commercial Court and not the Civil Court; (iii) there is a connected Stay Application filed before the Commercial Court by DIF III that the Suit has to be stayed as the Suit is a Class Action suit and hence the Commercial Court and not the Civil Court has the jurisdiction to hear the Suit; (iv) the Plaintiffs should have put the other shareholders of DIF III into cause; and (v) the Plaintiffs have to provide Security for costs to all the Defendants.

The other Defendants have raised preliminary objections with respect to privity of contract and jurisdiction of Mauritius Courts.

Nearly 6 years after the Suit was filed in 2014 in Mauritius, on January 28, 2020, the court heard arguments on only two of the preliminary objections raised by ICICI Bank and ICICI Venture viz. (a) Mauritius court lacks jurisdiction to hear disputes between non-Mauritians (both the Plaintiffs and the Defendants No.3 and 4 i.e. ICICI Bank and ICICI Venture are not Mauritius residents); and (b) Mauritius court is not the convenient forum to hear the disputes raised.

The arguments relied, amongst others, related to the facts that (a) alleged conduct of ICICI Bank and ICICI Venture did not admittedly happen in Mauritius and offences, if any, happened in India; (b) investments were in real estate projects in India; (c) investments were in a real estate fund in India; and (d) Indian law governs the contractual relationship between the parties.

By an order dated June 9, 2020 the Supreme Court of Mauritius stayed the proceedings as against ICICI Bank and ICICI Venture on the grounds that none of the allegations made against ICICI Bank and ICICI Venture occurred in Mauritius and hence the courts in Mauritius lack jurisdiction to adjudicate such allegations. In the subsequent hearing on July 1, 2020, the Plaintiffs informed the Court of their decision not to appeal against the order staying the proceedings as against ICICI Venture and ICICI Bank. The proceedings would continue against the other Defendants viz. DIF III, IFS and the Trustee.

The Supreme Court of Mauritius vide its order dated the June 3, 2022 have deleted ICICI Bank and ICICI Venture Fund Management Company Ltd. from the array of the parties allowed to continue the case against Dynamic India Fund III, SANE Mauritius and the WITECO now ITSL.

The Plaintiffs have filed an appeal against the said Judgement dated the June 3, 2022 passed by The Supreme Court of Mauritius.

ICICI Venture Fund Management Company Ltd. is taking care of the matter on behalf of ITSL as a Trustee and also appointed Counsels to defend ITSL. We have taken up the matter with the ICICI Venture stating that WITECO now ITSL is also not a Mauritius resident and Mauritius court is not the convenient forum to hear the disputes raised and hence lacks the jurisdiction. Further, ITSL is acting only as a trustee and there cannot be any claim against ITSL at all as ICICI Venture Fund Management Company Ltd. was Investment Manager of the Fund who has managed all affairs of the Fund.

This matter has been put sine die i.e. adjourned with no appointed date for resumption, pending the outcome of the appeal filed by plaintiffs.

8. **Pawan Kapoor & Anr. Vs. SEBI & Ors. (Karvy Data Management Services Ltd) –**

   In the case of Karvy Data Management Services Ltd; one Pawan Kapoor & Amri Resorts Pvt. Ltd. the Debenture Holders have filed Writ Petition before Delhi High Court, inter alia against ITSL alleging various non compliances by ITSL and for not initiating action against Karvy Data Management Services Ltd. for defaults in payment of interest & Principal. The matter was listed before Hon'ble Delhi High Court on December 19, 2022. The Hon'ble Delhi High Court has directed Ministry of Corporate affairs to investigate in the complaint and provide report. The matter has been listed on May 19, 2023.

9. **Varsha Vikram Modi Vs. ITSL, RHFL & SEBI. (Writ Petition No.348 of 2023) before Bombay High Cour**t.

   One Ms. Varsha Modi, Debenture Holder of RHFL has filed captioned Writ Petition against ITSL impleading RHFL & SEBI praying for the following reliefs: -

   1. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to quash

or cancel the Registration Certificate of ITSL the Respondent No.1, issued by SEBI the Respondent No.3.

2. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct the SEBI the Respondent No.3 to take action & conduct enquiry on the basis of complaint dated the May 28, 2022 lodged by the Petitioner with SEBI

3. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct RHFL to pay the amount of ₹ 4.5 crore to the petitioner with respect to the NCDs issued by RHFL

4. Issuance of Writ of Certiorari or any other writ under Article 226 of the Constitution of India to direct ITSL to deposit a sum of ₹ 4.5 crore with Prothonotary and Senior Master of the Court.

5. Payment of costs & any other relief as may be deemed fit & proper.

Management Discussion and Analysis

1. Industry Review

India's infrastructure opportunity

Infrastructure sector is a key driver for the Indian economy. Growing urbanisation, demand for energy and financing needs for sustainable living pose a challenge for the infrastructural setup in the country. Infrastructure, and the lack of it, is envisaged as the primary growth constraint, while good infrastructure is widely recognized as an enabler of growth. In the coming era of supply chain disruptions, new technologies and reversal of financial deleveraging, infrastructure growth must keep pace with the need created for it. The sector is accountable for propelling India's overall development and garners intense focus from the government for introducing policies that would ensure time-bound formation of world-class infrastructure in the country. The opportunities in the sector have seen an incremental curve over previous years and are growing to establish the sector as a key driver in India's development story at a high rate. The Government of India has given a significant push for capital expenditures for key infrastructure sectors, especially highways. The total allocation for the highways sector has increased to ₹ 1.99 lakh crore from ₹ 1.18 lakh crore in the Union Budget for financial year 2022-23. (Source: Government of India, Ministry of Finance, Union Budget 2022-2023)

Road and Highway sector

India has the second-largest road network in the world, spanning a total of 6.3 million kilometers (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country.

According to the MoRTH, Financial Year 2022-23 was the year of consolidation of the gains that accrued from major policy decisions taken in the previous eight years, a time for monitoring of ongoing projects, tackling road blocks and adding to the already impressive pace of work achieved during the past years. During the year, the MoRTH and its associated organizations have expanded the national highways network in the country, taking various steps to make these highways safe for the commuters and making best efforts to minimize adverse impact on the environment. As a result, over the last eight years, length of National Highways has gone up by 48.12% from 97,830 km (FY 2014-15) to 1,44,955 km (as on March 31, 2023) out of the set target of 2,00,000 kms for 2024-25. (Source: MoRTH press release titled "Year End Review 2022: Ministry of Road Transport and Highways" dated January 04, 2023 and MoRTH Annual Report 2022-23)

The MoRTH has envisaged an ambitious highway development programme Bharatmala Pariyojana which includes development of about 65,000 km NHs. Under Phase-I of Bharatmala Pariyojana, the MoRTH has approved implementation of 34,800 km of NHs in 5 years (2017-18 to 2021-22) with an outlay of ₹ 5,35,000 crores.

Details of National Highway length constructed per day during last five financial years are as follows:

Year	Length in kms	Pace (Km per day)
2016-17	8,231	22.55
2017-18	9,829	26.93
2018-19	10,855	29.74
2019-20	10,237	27.97
2020-21	13,327	36.51
2021-22	10,457	28.64

(Source: Year End Review- 2022: MoRTH)

Growth Drivers

To accelerate the pace of construction, several initiatives have been taken to revive the stalled projects and expedite completion of new projects:

- Identification of Model National Highway in the state for development by the Government.
- Streamlining of land acquisition and acquisition of major portion of land prior to invitation of bids.
- Award of projects after adequate project preparation in terms of land acquisition, clearances etc.
- Disposal of cases in respect of Change of Scope (CoS) and Extension of Time (EoT) in a time bound manner
- Procedure for approval of General Arrangement Drawing for ROBs simplified and made online.
- Close co-ordination with other Ministries and State Governments.
- One-time fund infusion
- Regular review at various levels and identification/ removal of bottlenecks in project execution.
- Proposed exit for Equity Investors.
- Securitization of road sector loans.
- Disputes Resolution mechanism revamped to avoid delays in completion of projects.

- As an integral part of Atmanirbhar Bharat, the various relief measures have been taken by the MoRTH for providing relief to Contractors/ Developers/Concessionaires of Road Sector from the impact of COVID, subsequent lockdown and other measures taken to prevent spread of COVID.
- The several steps undertaken by the Government under Atmanirbhar Bharat includes granting time extensions for 3 to 9 months, relaxation in contract provisions for ensuring cash flow, direct payment to sub-contractors and release of retention/security money to augment cash flow, waiver of penalty in case of delay in submission of Performance Security (for new Contracts), to expedite the construction work to achieve the target.
- Mandatory Electronic toll collection through FASTag with effect from February 15, 2021.
- For faster settlement of claims through conciliation and reduce liabilities, NHAI has rigorously started the process of conciliation by constituting three Conciliation Committees of Independent Experts (CCIE) of three members each.

In addition, there are a few more initiatives that will drive growth for the infrastructure sector in India:

Massive infrastructure push: The Union Budget has given much-needed impetus to infrastructure development which could reduce trade and transaction costs and improve factor productivity. Moreover, the focus on roads and railways will create a unified market in India for seamless movement of goods and human resources. The Government of India has given a massive push to the infrastructure sector. The total budgetary outlay increased by 68.59 %, from ₹ 1,18,101 crore in financial year 2022 to ₹ 1,99,107 crore for the financial year 2023.

NH expansion: PM Gati Shakti Master Plan for Expressways will be formulated in 2022-23 to facilitate faster movement of people and goods. The National Highways network will be expanded by 25,000 km in 2022-23. Length of national highways to reach 200,000 km.

Growing demand: With the increase in consumer demand and nuclear families, need for two-wheelers and compact cars has been on the rise and is expected to grow even further. The market for roads and highways in India is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country. Almost 40% (824) of the 1,824 PPP projects awarded in India until December 2019 were related to roads.

Government initiatives:

The government has tried to improve the rate of awarding over the years. HAM has seen a significant share of awarding recently, which is expected to increase going forward.

The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, accelerate economic growth and sustainable development. The approach is driven by seven engines, namely Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. All seven engines will pull forward the economy in unison. The projects pertaining to these 7 engines in the NIP will be aligned with PM Gati Shakti framework. The major initiatives undertaken by MoRTH are described under:

1. Ministry of Road Transport and Highways (MORTH), through its implementing agencies NHAI / NHLML and NHIDCL has kept pace with the work of implementing of 35 Multi-Modal Logistics Parks (MMLPs) Projects identified for development under Bharatmala Pariyojana - Phase I.

2. MoRTH developed a comprehensive Port Connectivity Masterplan to ensure adequate last-mile connectivity to all the operational/UI ports in the country. As part of the Masterplan, connectivity requirements of all the operational and under implementation ports were assessed and connectivity projects were identified. The 59 projects (1,249 km) will be taken up under PM Gati Shakti National Master Plan for improving last mile connectivity to ports in the country.

3. In order to improve the comfort and convenience of the highway users, the Ministry has planned development of state-of-the-art Way Side Amenities (WSA) at approximately every 40 kms along the National Highways.

4. Launch of Surety Bond Insurance, MoRTH launched India's first-ever Surety Bond Insurance product from Bajaj Allianz on December 19, 2022. With this new instrument of Surety Bonds, the availability of both liquidity and capacity will be boosted, and the infrastructure sector will be strengthened.

5. Relief for Contractors/Developers of the Road Sector in view of the COVID-19 Pandemic. The MoRTH has extended reliefs/extension to relief granted to the Contractors / Developers of the Road Sector in view of the COVID-19 pandemic.

6. In order to ensure seamless movement of traffic through fee plazas and increase transparency in collection of user fee using FASTag, the National Electronic Toll Collection (NETC) programme, the flagship initiative of MoRTH, has been implemented on pan-India basis. FASTag implementation has also reduced the wait time at National Highway fee plazas significantly, resulting in enhanced user experience. In order to ensure that the payment of fees at Toll Plazas is through Electronic means only and vehicles pass seamlessly through the Fee Plazas, the FASTag drive has been very well supported by the highway users as it has achieved over 95% penetration with more than three crore users in the country.

7. MoRTH brought out changes in the Model Concession Agreement (MCA) & Request for Proposal (RFP) of the Road Construction Models such as HAM and BOT (Toll).

    i) Much needed changes have been made in the relevant clauses of the model RFP and MCA of the HAM project to allow the Lowest Quoted Bid Project Cost (BPC) as the basis for awarding the HAM Project and O&M cost to be fixed as being done in EPC projects. It will now bring out the winner immediately after the opening of financial bids in a transparent manner as in EPC mode of bidding.

    ii) Changes have been made in the relevant clauses of the Model Concession Agreement of the BOT (Toll) project permitting the change of ownership from existing 2 years to 1 year after the Commercial Operation Date (COD). This move will free the equity/funds of construction companies for taking up other projects.

8. In November 2020, the MoRTH in modified the change in ownership clause in the Hybrid Annuity Mode ("HAM") projects and permitted the bidders/ consortium members to dilute their equity after a period of six months from the commercial operations date ("COD"). Prior to the relaxation, the concessionaire/bidders/consortium members had to retain their equity for a period of two years from COD. Further, MoRTH in May 2022 approved changes in the model concession agreements of Build-Operate-Transfer projects and permitted the change of ownership from the existing two years to one year after COD/issuance of completion certificate and completion of punch list items.

Increasing investments: With the Government permitting 100% Foreign Direct Investment (FDI) in the road sector, several foreign companies has formed partnerships with Indian players to capitalise on the sector's growth.

Opportunities

Here are some trends that are ensuring seamless travel, better infrastructure and connectivity:

Electronic toll collection: National Electronic Toll Collection (FASTag) programme, the flagship initiative of MoRTH and NHAI has been implemented on pan India basis in order to remove bottlenecks and ensure seamless movement of traffic and collection of user fee as per the notified rates, using passive Radio Frequency Identification (RFID) technology which is made compulsory with effect from February 15, 2021.

Different models: The type of Public-Private Partnership (PPP) models used in road projects are Build Operate Transfer (BOT) toll, Toll-Operate-Transfer (TOT) and HAM (Hybrid Annuity Model). The government has already started developing new, flexible policies to create investor-friendly highway development initiatives by monetising highway assets under TOT mode. The next fiscal year is likely to witness an increase in private participation by award of contracts under the BOT, TOT and HAM model.

FDI in roads: 100% Foreign Direct Investment (FDI) is allowed under the automatic route in the road and highways sector. The Government aims to boost corporate investment in roads and shipping sector, along with introducing business-friendly strategies, which will balance profitability with effective project execution. According to the data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), Cumulative FDI inflows in construction development stood at US$ 26.3 billion between April 2000-December 2022. In financial year 2022 (until November 2021), the private sector invested ₹ 15,164 crore (US$ 1.98 billion) in roads.

Asset Monetization: The National Highways Authority of India (NHAI) has drawn up an ambitious plan to monetize 46 operational highway stretches of total length of 2,612 kms in the financial year 2023-24 through TOT/ InvIT mode to beef up resources for its road building program.

Other favourable policies: These include 100% exit policy for stressed BOT players, providing secured status for PPP projects while lending, and proposal to scrap slow-moving highway projects, among others.

Outlook

India's infrastructure sector is rapidly evolving and the key trends demonstrate positivity and optimism. The market for roads and highways in India is projected to exhibit a Compound Annual Growth Rate (CAGR) of 36.16% during 2016-2025, on account of growing

Government initiatives to improve transportation infrastructure in the country. For the period of 2016-17 to 2021-22, the CAGR stands at 20%.

The highways sector in India has been at the forefront of performance and innovation. The government is committed towards expanding the National Highway network to 2 lakh kilometres by 2025 emphasizing the construction of the World Class Road infrastructure in time bound & target oriented way. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. The Asian Development Bank ranked India at the first spot in PPP operational maturity and also designated India as a developed market for PPPs. The Hybrid Annuity Model (HAM) has balanced risk appropriated between private and public partners and boosted PPP activity in the sector. In the recent past, the BOT projects have witnessed renewed interest from private players, therefore it is envisaged that the NHAI may come out with more tenders on BOT mode in the coming year. Asset recycling, through the TOT model has also been taken up by the NHAI and other State Government agencies.

The second phase of the Government of India's Bharatmala programme has been announced for launch. 5,000 km worth of projects are expected to be constructed under the aegis of this programme and Detailed Project Reports (DPRs) are being prepared prior to the approval of the projects so as to speed up the implementation process. In order to facilitate seamless travel between important economic centres, Bharatmala Phase-2 seeks to improve connectivity to a number of infrastructure projects, including multi-modal logistics parks (MMLPs) and under-construction expressways. The new phase would also take up the construction of highways that decongest existing roads, ring roads around major industrial centres and bypasses. The simultaneous implementation of phase-II projects will help in operationalising the remaining projects under phase-I, which is now scheduled to be completed by 2027.

2. Trust Overview

IRB InvIT Fund is the Trust settled by its Sponsor, IRB Infrastructure Developers Limited and is registered under the SEBI (Infrastructure Investment Trusts) Regulations, 2014. It comprises of Six operational road projects having length of 2,421 km includes 5 BOT assets and 1 HAM asset with aggregate enterprise value of approx. ₹ 8,250 crores. It has presence across six states in India with average residual concession period of ~16 years.

The Sponsor of the Trust i.e. IRB Infrastructure Developers Limited, is one of the largest infrastructure development and construction companies in India in terms of net worth in roads and highways sector. The Sponsor has been listed on the Stock Exchange(s) viz. National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) since 2008. As of March 31, 2023, the Sponsor has 24 projects, under various stages of development and operations.

Consequent to the formation transactions, on May 9, 2017, the Trust acquired an initial portfolio comprising the six Project special purpose vehicles (SPVs), all of which were wholly owned by the Sponsor and its subsidiaries. On September 28, 2017, the Trust further acquired its seventh project 'Pathankot Amritsar' on NH 15 in Punjab from the Sponsor and its subsidiary. Further, concession period for two of the project SPVs ended in the month of March and May 2022 and were successfully handed over to National Highways Authority of India (NHAI). In October 2022, the Trust acquired Vadodara Kim HAM project in the state of Gujarat from the Sponsor.

Distribution

The InvIT Regulations provide that not less than 90% of net distributable cash flows of each project SPV are required to be distributed to the Trust in proportion to its holding in each of the project SPVs, subject to applicable provisions of the Companies Act, 2013. Further, not less than 90% of net distributable cash flows of the Trust shall be distributed to the unitholders.

Such distributions shall be declared and made not less than once in every six months in every financial year and shall be made not later than fifteen days from the date of such declaration.

For financial year 2022-23, the Net Distributable Cash Flow (NDCF) of the Trust was ₹ 493.67 crores, out of which the Trust has distributed 94.66%. The Total pay-out from the NDCF for financial year 2022-23 was ₹ 8.05 per unit to the unitholders.

Statement of Net distributable cash flows (NDCFs) of IRB InvIT Fund

(Amount in lakh)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	Cash flows received from Project SPVs in the form of Interest	47,983.32	41,284.74
2	Cash flows received from Project SPVs in the form of Dividend	-	-
3	Any other income accruing at the Trust level and not captured above, including but not limited to interest/return on surplus cash invested by the Trust	795.63	312.22
4	Cash flows received from the project SPVs towards the repayment of the debt issued to the Project SPVs by the Trust	18,893.37	31,022.75
5	**Total cash inflow at the Trust level (A)**	**67,672.32**	**72,619.71**
	Less:		
6	Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager	(12,880.49)	(12,547.93)
7	Income tax (if applicable) at the Standalone Trust Level	-	-
8	Repayment of external debt	(5,425.00)	(5,425.00)
9	**Total cash outflows / retention at the Trust level (B)**	**(18,305.49)**	**(17,972.93)**
10	**Net Distributable Cash Flows (C) = (A+B)**	**49,366.83**	**54,646.78**

Factors affecting Operations

The business of Project SPVs' prospects and results of operations and financial condition are affected by a number of factors including the following key factors:

Terms of the Concession Agreements for tariff revision

Toll fees are pre-determined by the relevant government entities and cannot be modified to reflect the prevailing circumstances other than the annual adjustments to account for inflation as specified in the Concession Agreements.

For the current five BOT projects, the tariff revision structure and details of the last revision are as follows:

Name of the Company	Tariff rate revision	Revision date	Financial Year 2022-23 (%)
M.V.R. Infrastructure & Tollways Limited (MVR)	Linked to WPI	September 1, every year	14.87 %
IRB Jaipur Deoli Tollway Limited (IRBJD)	3% + 40% of WPI	April 1, every year	10.16 %
IRB Tumkur Chitradurga Tollway Limited (IRBTC)	3% + 40% of WPI	April 1, every year	10.16 %
IRB Talegaon Amravati Tollway Limited (IRBTA)	3% + 40% of WPI	April 1, every year	10.16 %
IRB Pathankot Amritsar Toll Road Limited (IRBPA)	3% + 40% of WPI	April 1, every year	10.16 %

* WPI - Wholesale price index

Growth in Traffic Volumes

The Trust's target portfolio revenue of CAGR of 9.5-10% can be achieved with tariff revision of 4.5-5% combined with traffic growth of 5-5.5%. Going by historical performance, the intrinsic potential as well as current performance of the projects owned by the Trust, it is envisaged that the Trust will achieve its targets.

Operating and Maintenance cost

The Concession Agreement spells out significant costs during the concession period including operating and maintenance expenses, such as periodic maintenance required to be performed. Periodic maintenance involves repair of wear and tear of roads, including overlaying the surface of the roads, if required.

The O&M of Project SPVs is managed by the IRB Infrastructure Developers Limited, (Sponsor and Project Manager), as per the fixed price agreements/contracts executed by respective Project SPVs. The O&M cost covers routine and periodic maintenance, details for financial year 2022-23 and financial year 2021-22 are as follows:

(Amount in lakh)

Project Name	FY 2022-23	FY 2021-22
IRBJD	1,028	5,460
IRBTA	3,685	3,581
IRBTC	305	351
MVR	470	451
IRBPA	1,820	4,258
VK1	1,201	-
IRBSD	406	2,356
IDAA	-	10,682

Regulatory Commitments

As per the Concession Agreements, some of the Project SPVs are required to pay revenue share/premium to the NHAI.

Tumkur – Chitradurga is obligated to pay fixed amount of premium to NHAI. As per the deferred premium agreement, in the case of Tumkur – Chitradurga project, part of the premium obligation is shown as premium deferment and balance amount is paid to NHAI during the year.

In case of Omalur – Salem project, revenue share is paid to the NHAI at a fixed rate per annum which is ~ 22.50% of gross toll revenues.

Interest Rates Scenario:

Interest rates impact both growth and inflation. Higher the interest rate, higher is the cost of capital. This reflects on the slowdown of investments in the economy. Interest rate is a significant factor affecting any new acquisition of asset. Banks and financial institutions provide the debt under floating or fixed rate depending on the asset class, Cash flow generation and the credit rating of the borrower.

In the recently acquired HAM project, our income from operation and maintenance is linked with the movements of inflation indices in a relevant period and income from interest on the balance completion cost is linked with RBI Bank Rate. Under the rising interest rate scenario, the higher interest on annuity due to higher RBI bank rate will mitigate the risk of higher interest rate on external debt.

General economic conditions in India - level of investment and activity in infrastructure development sector

The Central and State Government have renewed their focus on infrastructure that is evident from the fact that the budgetary allocations for construction and augmentation of roads and highways in India have increased significantly. This increased budgetary allocation, when complemented by the private sector participation would generally result in large infrastructure projects in India.

Innovative bidding structures like HAM and TOT provide scopes for increase in portfolios of highway developers. This would provide huge scope for future acquisitions for the Trust and thereby enhance stakeholders' value.

Financial Review

Internal accruals are robust even after considering all expenses, taxes and repayment of debt.

The total consolidated income for financial year 2022-23 has increased to ₹ 1,462 crores from ₹ 1,400 crores in financial year 2021-22.

The consolidated toll revenues for financial year 2022-23 stood at ₹ 903 crores from ₹ 1,209 crores for financial year 2021-22. The concession period for two BOT assets i.e. IDAA Infrastructure Limited i.e. Bharuch Surat and IRB Surat Dahisar Tollway Limited i.e. Surat Dahisar project ended on March 31, 2022 and May 25, 2022 respectively and the projects were handed over to NHAI. The previous year toll numbers were impacted due to various waves of Covid-19 pandemic which led to partial/ full lockdown imposed in various states. Moreover, due to the farmers' protest in the state of Punjab, tolling for the Amritsar Pathankot project was halted since the beginning of October 2020 and the toll operations resumed on December 16, 2021.

EBITDA for financial year 2022-23 stood at ₹ 828 crores from ₹ 1,159 crores in financial year 2021-22.

Interest costs (including interest on premium deferment) for financial year 2022-23 stood at ₹ 193 crores as against ₹ 142 crores for financial year 2021-22 on account of addition of Vadodara Kim HAM project.

Depreciation (including amortization) for financial year 2022-23 stood at ₹ 261 crores from ₹ 681 crores in financial year 2021-22.

Profit before tax for the year ended March, 2023 increased to ₹ 374 crores from ₹ 336 crores in March, 2022.

Profit after tax for the year ended March, 2023 increased to ₹ 370 crores from ₹ 303 crores in March, 2022.

Critical Accounting Policies:

The preparation of financial statements in conformity with applicable accounting standards and the Companies Act, 2013 requires the Trust management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations at the end of the reporting period. By their nature, these judgements are subject to a degree of uncertainty. Although these estimates are based upon the best knowledge of the Trust's management of current events and actions, the actual results could differ from these estimates.

While all aspects of the financial statements should be read and understood in assessing their current and expected financial condition and results, the Trust believes that the following critical accounting policies warrant particular attention:

Intangible assets

Toll Collection Rights:

- Toll collection rights are stated at cost net of accumulated amortisation and impairment losses.
- Toll collection rights awarded by the grantor against construction service rendered by the Project SPV on Design, Build, Finance, Operate, Transfer (DBFOT) basis, which consists of direct and indirect expenses on construction of roads, bridges, culverts, infrastructure and other assets at the toll plazas.
- Toll collection rights are amortised over the period of concession, using revenue-based amortisation as per exemption provided in Indian Accounting Standard (Ind AS) 101. Under this method, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the economic benefits of the assets will be used. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any variations in the estimates.
- Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognised.
- Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Premium Obligation

As per the service concession agreement, one of the SPVs is obligated to pay the annual fixed amount of premium to NHAI. This premium obligation has been capitalised as an intangible asset since it is paid towards getting the right to earn revenue by constructing and operating the roads during the concession period. Hence, total premium payable as per the service concession agreement is upfront, capitalised at fair value of the obligation at the date of transition.

Besides, gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset of the Trust and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortisation

Toll collection rights are amortised over the period of concession, using revenue-based amortisation as per exemption provided in Ind AS 101. Under this method, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the Trust. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Premium deferment

The balance sheet of the Trust reflects premium deferral (i.e. premium payable less paid after adjusting premium deferment) as aggregated under premium deferred obligation. Interest payable on the above is aggregated under premium deferral obligation.

Interest on premium deferral is capitalised during the construction period and thereafter charged to the statement of profit and loss.

Provisions

Generally, provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources of economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation amount. When the Fund expects some or the entire provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Principal Components in the consolidated profit and loss

Income items

The Project SPVs income consists of revenue from operations and other income. Revenue from operations primarily consists of income from toll collection. Further, during the construction period of a project, the NHAI may ask the Project SPVs to carry out utility shifting work (which is incidental to the construction of the toll road and typically involves the shifting of utilities that are located at the construction site) or may award the Project

SPVs additional scope of work that is separately paid by the NHAI. Revenue from such utility shifting or change in scope contract and the sale of materials, among others, also forms part of the Project SPVs operating revenue. However, this is not significant as compared to toll revenue. Other operating income also includes compensation income on account of suspension of toll operations in one of the projects due to farmers' protest.

The term, Other income includes interest income on bank deposits, interest on an income tax refund, interest unwinding on loan given, dividend income, gains on sale of property, plant and equipment, gain on sale of investments and certain miscellaneous income. Other income also includes any gain on sale of investments and fixed assets.

Expense items

Expenses are made up of: (i) road work and site expenses, (ii) employee benefits expense and (iii) depreciation and amortisation expenses, (iv) finance cost, and (v) other expenses.

Road work and site expenses

This expenditure includes contract expenses relating to utility shifting or change in scope contracts, operation and maintenance expenses, road works expenses, cost of material sold, independent engineer fees, sub-contracting and security expenses, and site and other direct expenses.

Employee benefits expenses

This nomenclature includes salaries, wages and bonus paid to the Trust employees, contribution towards provident fund and other funds, gratuity expenses and staff welfare expenses.

Depreciation and amortization

Depreciation and amortisation account shows depreciation on property, plant and equipment and amortisation of intangible assets of the Trust.

Finance costs

Finance costs of the Trust include interest on loans from banks/financial institutions, interest on premium deferment and other borrowing costs.

Other expenses

The day to day working of the Trust involves a number of administrative expenses which are listed as Other expenses. These include various administrative costs such as power and fuel costs, rent, rates and taxes, water charges, repairs and maintenance, travel and conveyance expenses, vehicle expenses, printing and stationery expenses, director sitting fees, advertisement expenses, legal and professional expenses, Auditor remuneration, bank charges, insurance and other miscellaneous expenses.

Human Resource

At Investment Manager, the focus on human resource development is a continuous process and is demonstrated through various employee engagement initiatives and regular talent management reviews. The key highlights for last year were preparation and implementation of detailed career path for high potential employees, filling vacancies through internal talent resourcing, skip level meetings across organisation for creating a transparent working environment. We have also undertaken an initiative to optimise the manpower cost for better productivity and improved accountability thereby creating a performance orientated career model amongst all its members.

Risk Management

The opportunity in the business of toll collection is the upbeat traffic movement which would help in improving the toll collection and thereby increase the return to the unit holders. Having said that, the biggest risk that the projects face is the slowdown in traffic and diversion of traffic. To overcome such risk, we have enough safeguards in the concession agreement with NHAI wherein our losses would be either cash reimbursed, or we would be provided an extension of time in our concession period.

Internal control and systems

IRB InvIT Fund and the Investment Manager has a strong internal control system to manage its operations, financial reporting and compliance requirements. The investment manager has clearly defined roles and responsibilities for all managerial positions. All the business parameters are regularly monitored, and effective steps are taken to control them. Regular internal audits are undertaken to ensure that responsibilities are executed effectively. The audit committee of the Board of Directors of Investment Manager periodically reviews the adequacy and effectiveness of internal control systems and suggests improvements to further strengthen them.

Cautionary Statement

The terms 'IRB InvIT', and 'the Trust' are interchangeably used and mean IRB InvIT and its Project SPVs' as may be applicable.

This annual report contains certain forward-looking statements and may contain certain projections. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue', 'seek to' or other words or phrases of similar import. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements and projections are subject to risks, uncertainties and assumptions. Actual results may differ materially from those suggested by forward-looking statements or projections due to risks or uncertainties associated without expectations with respect to, but not limited to, regulatory changes pertaining to the infrastructure sector in India and the Trust's ability to respond to them, the Trust's ability to successfully implement its strategy and objectives, the Trust's growth and expansion plans, technological changes, the Trust's exposure to market risks, general economic and political conditions in India that have an impact on the Trust's business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the infrastructure sector. Certain important factors that could cause the Trust's actual results to differ materially from expectations include, but are not limited to, the following:

- the business and investment strategy of the Trust;
- expiry or termination of the Project SPVs' respective concession agreements;
- future earnings, cash flow and liquidity;
- potential growth opportunities;
- financing plans;
- the competitive position and the effects of competition on the Trust's investments;
- the general transportation industry environment and traffic growth; and
- regulatory changes and future Government policy relating to the transportation industry in India.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. Forward-looking statements and projections reflect current views as of the date hereof and are not a guarantee of future performance or returns to investors. These statements and projections are based on certain beliefs and assumptions that in turn are based on currently available information.

Although the investment manager believes that the assumptions upon which these forward-looking statements and projections are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements and projections based on these assumptions could be incorrect. None of the Trust, the trustee, the investment manager and their respective affiliates/advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

There can be no assurance that the expectations reflected in the forward-looking statements and projections will prove to be correct. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements and projections and not to regard such statements to be a guarantee or assurance of the Trust's future performance or returns to investors.

Independent Auditors' Report

To,

The Unit holders of IRB InvIT Fund

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **IRB InvIT Fund** (hereinafter referred to as "the Fund") and its subsidiaries (the Fund and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Unit Holders' Equity and the consolidated Statement of cash flows for the year then ended, and the consolidated Statement of Net Assets at fair value as at March 31, 2023, the consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') of the Fund and each of its subsidiaries for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder, in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, its consolidated profit and total comprehensive income, its consolidated movement of the unit holders' funds and its consolidated cash flows for the year ended March 31, 2023, its consolidated net assets at fair value as at March 31, 2023, its consolidated total returns at fair value and the net distributable cash flows of the Fund and each of its subsidiaries for the year ended March 31, 2023.

Basis of Opinion

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India ("ICAI"). Our *responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	**Assessing Impairment of Intangible assets (note 3.21 and 4)** The Group operates toll assets which is constructed on Build Operate and Transfer (BOT) basis. The carrying value of the toll collection rights as at March 31, 2023 is ₹1,069,052.69 Lakhs. In accordance with its accounting policy and requirements under Ind AS 36 "Impairment of Assets", the Management has performed an impairment assessment by comparing the carrying value of the toll collection rights to their recoverable amount. For impairment testing, value in use has been determined by forecasting and discounting future cash flows. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projections and discounting rates.	Our audit procedures included the following: • Assessed the appropriateness of the Fund's valuation methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process. • Assessed, based on the report of external expert, the assumptions around the key drivers of the cash flow forecasts, discount rates, revenue projection based on the independent expert's traffic study reports after considering the impact on account of COVID-19 scenario, etc. • Assessed the appropriateness of the weighted average cost of capital used in the determining recoverable amount by engaging valuation expert.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
	The determination of the recoverable amount of the toll collection right involves significant judgment and accordingly, the evaluation of impairment of toll collection rights has been determined as a key audit matter. Also, refer Note 4 to the consolidated financial statements	• Discussed/Evaluated potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable, including considerations due to current economic and market conditions including effects of COVID- 19 pandemic. • Assessed the recoverable value headroom by performing sensitivity analysis of key assumptions used. • Tested the arithmetical accuracy of the model.
2	**Toll revenue in respect of toll collection under the Service Concession Agreement** The Group's right to collect toll under the concession agreement with National Highway (NHAI) Authority of India falls within the scope of Appendix C of Ind AS 115, "Service Concession Arrangements". The Group operates and earns revenue by collecting toll on the road constructed. This involves cash collection and automated toll collection using customized equipment installed at the toll plazas for correctly identifying vehicle type, calculating fare and for appropriate billing and collection. The Group uses information technology systems for the related automated and IT dependent controls. Refer Note 3.8 and Note 21 to the consolidated financial statements	Our audit procedures included the following: • Obtained an understanding of the processes and control placed for toll collection and evaluating the key controls around such process and testing those controls for the operating effectiveness. • Checked a selection of Information Technology General Controls (ITGCs) supporting the integrity of the tolling system operation, including access, operations and change management controls. • Verified the reconciliation of toll collection as per transaction report (generated from toll system) with cash deposited in bank and revenue recorded in the books. • Reviewed the management rationalization, by multiplying that toll rate charged for each category of vehicle as per NHAI's notification with the number of vehicles (as per Schedule M submitted with NHAI) and its reconciliation with the revenue recorded in accounts. • On test check basis, traced the daily collection from bank statement to daily cash toll collected and the revenue recorded in the books. • Performed analytics procedures on transactions to detect unusual transactions for further examination. • Performed revenue cut off procedures.
3	**Provisioning for resurfacing expense** As per the Concession Agreement, the Group is obligated to carry out resurfacing of the roads. The Group estimates the provision required towards resurfacing in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets. The estimate made by the Group over the concession period, involves detailed calculation and judgment. In view of the nature of provision and amount involved, the provision for resurfacing expense is considered to be a key audit matter. Refer Note 3.17, Note 16 and Note 38 to the consolidated financial statements.	Our audit procedures included the following: • Understood the Group's process associated with the estimation of resurfacing obligation. • Verified the requirement under Concession Agreement and Group's policies. • Tested the assumption used in determining the resurfacing provisions. • Tested the arithmetical accuracy and also verified the disclosure in the consolidated financial statements.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>4</td><td>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value

(As described in note 38 and in Statement of Net assets at fair value and Statement of total returns at fair value of the consolidated financial statements)

As per the provisions of InvIT Regulations, the Fund is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.

Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the consolidated financial statements.</td><td>Our audit procedures include the following-

• Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

Assessed the appropriateness of independent valuer's and management's valuation methodology applied in determining the fair values.

Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation.

We involved valuation specialists to:

a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data.

b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer, including considerations due to current economic and market conditions including effects of COVID-19 pandemic.

c) Discuss changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable, including considerations due to current economic and market conditions including effects of COVID-19 pandemic.

Tested the arithmetical accuracy of computation in the Statement of Net Assets and Total Returns at Fair Value

Read/Assessed the disclosures in the standalone financial statements for compliance with the relevant requirements of InvIT Regulations.</td></tr>
</table>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The management of IRB Infrastructure Private Limited ("Investment Manager") is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Investment Manager's Report including Annexures to Investment Manager's Report and Investment Manager's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

Investment Manager is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position as at March 31, 2023, consolidated financial performance including other comprehensive income, consolidated movement of the unit holders' funds and the consolidated cash flows for the year ended March 31, 2023, its consolidated net assets at fair value as at March 31, 2023, its consolidated total returns at fair value of the Fund and the net distributable cash flows of the Fund and each of its subsidiaries in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations").

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the up and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management of the Fund, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express a opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For companies included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Fund included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

We did not audit the financial statements and other financial information of 8 subsidiaries, whose financial statements reflect total assets of ₹ 1,285,179.12 Lakhs and net assets of ₹ 88,223.59 Lakhs as at March 31, 2023, total revenues of ₹ 148,839.92 Lakhs and net cash inflows amounting to ₹7,866.34 Lakhs for the year ended on that date, as considered in the consolidated financial statements before giving effect to elimination of intra-group transactions. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of InvIT regulations, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our reports on the Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by InvIT Regulations, we report that;

a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;

b) The Consolidated Balance Sheet, and the Consolidated Statement of Profit and Loss including other comprehensive income dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements; and

c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm's Reg. No. 121750W/W-100010

Ramesh Gupta
Partner
Membership No. 102306
UDIN: 23102306BGWKSX6975

Place: Mumbai
Dated: May 08, 2023

Consolidated Balance Sheet

as at March 31, 2023

(₹ in Lakhs)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	102.63	106.55
Intangible assets	4	1,069,052.69	1,095,040.42
Intangible assets under development	4	-	142.98
Financial assets			
Investments	5	0.40	0.40
Other financial assets	6	116,684.68	-
Total non-current assets		**1,185,840.40**	**1,095,290.35**
Current assets			
Financial assets			
i) Investments	5	18,499.74	21,510.86
ii) Cash and cash equivalents	7	2,325.38	1,432.43
iii) Bank balances other than (ii) above	8	1,275.76	67,592.29
iv) Loans	9	5.93	3.91
v) Other financial assets	6	33,424.85	9,221.85
Income tax assets (net)	10	613.54	611.72
Other current assets	11	9,916.52	103.64
Total current assets		**66,061.72**	**100,476.70**
Total assets		**1,251,902.12**	**1,195,767.05**
EQUITY AND LIABILITIES			
Equity			
Initial settlement amount	12	0.10	0.10
Unit capital	12	491,393.25	510,259.50
Other equity	13	(90,759.66)	(96,341.29)
Total equity		**400,633.69**	**413,918.31**
Non-current liabilities			
Financial liabilities			
i) Borrowings	14	292,935.86	184,165.14
ii) Other financial liabilities	15	487,397.96	507,727.80
Provisions	16	6,306.80	1,498.49
Deferred tax liabilities (net)	17	-	37.51
Other non-current liabilities	18	13,236.06	-
Total non-current liabilities		**799,876.68**	**693,428.94**
Current liabilities			
Financial liabilities			
i) Borrowings	19	10,867.00	5,425.00
ii) Trade payables	20		
a) Total outstanding dues of micro enterprises and small enterprises		14.38	12.83
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		10,744.35	1,981.51
iii) Other financial liabilities	15	27,331.58	79,430.16
Other current liabilities	18	872.59	270.84
Provisions	16	1,561.85	1,299.46
Total current liabilities		**51,391.75**	**88,419.80**
Total liabilities		**851,268.43**	**781,848.74**
Total equity and liabilities		**1,251,902.12**	**1,195,767.05**
Summary of significant accounting policies	3		

See accompanying notes to the consolidated financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg no. 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Lakhs)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	21	144,172.49	139,156.62
Other income	22	2,010.41	877.73
Total income		**146,182.90**	**140,034.35**
Expenses			
Operating expenses	23	52,499.22	5,898.96
Project management fees		6,812.12	13,069.00
Employee benefits expense	24	1,662.60	2,594.14
Insurance and security expenses		96.42	75.68
Trustee fees		29.50	29.50
Annual listing fees		79.29	60.81
Investment management fees		1,180.00	1,278.15
Repairs and maintenance		-	0.82
Depreciation and amortisation expenses	25	26,132.60	68,072.75
Finance costs	26	19,258.04	14,184.37
Other expenses	27	1,039.25	1,171.07
Total expenses		**108,789.04**	**106,435.25**
Profit before tax		**37,393.86**	**33,599.10**
Tax expenses	47		
Current tax (including tax adjustments related to earlier years)		473.35	75.27
Deferred tax (MAT credit)		(37.51)	3,257.84
Total tax expenses		**435.84**	**3,333.11**
Profit after tax (A)		**36,958.02**	**30,265.99**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans (net of tax)		(29.39)	10.01
Other comprehensive income/(loss) for the year, net of tax (B)		**(29.39)**	**10.01**
Total comprehensive income for the year, net of tax: (A+B)		**36,928.63**	**30,276.00**
Profit for the year		**36,958.02**	**30,265.99**
Attributable to:			
Unit holders		36,958.02	30,265.99
Non-controlling interests		-	-
Total comprehensive income for the year		**36,928.63**	**30,276.00**
Attributable to:			
Unit holders		36,928.63	30,276.00
Non-controlling interests		-	-
Earning per unit (Amount in Rupees)	28		
- Basic		6.37	5.21
- Diluted		6.37	5.21
As per our report of even date attached			
Summary of significant accounting policies	3		

See accompanying notes to the consolidated financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg no. 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	**37,393.86**	**33,599.10**
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	26,132.60	68,072.75
Provision for resurfacing expenses	7,039.39	4,845.11
Change in Fair value on mutual funds	(303.11)	(199.30)
Extinguishment of premium liability	(187.42)	(1,379.35)
Gain on sale of Investments (net)	(897.36)	(233.58)
Finance costs	18,634.73	13,608.08
Interest income on fixed deposits	(33.69)	(36.86)
Operating profit before working capital changes	**87,779.00**	**118,275.95**
Movement in working capital:		
Increase/(decrease) in trade payables	8,764.38	910.30
Increase/(decrease) in provisions	(1,998.07)	(14,040.43)
Increase/(decrease) in other financial liabilities	(8,720.41)	5,259.08
Increase/(decrease) in other liabilities	(614.43)	56.47
Decrease/(increase) in loans	(2.02)	1.89
Decrease/(increase) in other financial assets	(5,705.86)	(8,025.66)
Decrease/(increase) in other current assets	1,503.00	225.97
Cash generated from operations	**81,005.59**	**102,663.57**
Taxes paid (net)	(94.26)	35.12
Net cash flow from operating activities	**80,911.33**	**102,698.69**
Cash flows from investing activities		
Purchase of intangible assets	(64,839.65)	(134.03)
Proceeds from sale of intangible assets	-	7.62
Consideration paid to Sponsor towards acquisition of project (refer note 40)	(34,200.00)	-
Sale/(purchase) of current investments (net)	4,287.34	(5,221.83)
Increase in balance with Escrow bank	64,701.32	(29,638.13)
Acquisition / Redemption of bank deposits (having original maturity of more than three months) (net)	1,618.91	(2,808.67)
Interest received	37.31	33.25
Net cash flow (used in) investing activities	**(28,394.77)**	**(37,761.79)**
Cash flows from financing activities		
Repayment of unit capital to the unit holders	(18,866.25)	(20,898.00)
Proceeds from non-current borrowings	18,985.72	-
Distribution to unitholders	(31,347.00)	(30,766.50)
Repayment of non-current borrowings	(5,425.00)	(5,425.00)
Finance costs paid	(14,971.08)	(10,850.98)
Net cash flows used in financing activities	**(51,623.61)**	**(67,940.48)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	892.95	(3,003.58)
Cash and cash equivalents at the beginning of the year	1,432.43	4,436.01
Cash and cash equivalents at the end of the year (refer note 9)	**2,325.38**	**1,432.43**
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Escrow accounts	2,246.04	1,114.11
- Current accounts	43.68	253.52
Cash on hand	35.66	64.80
Total Cash and Cash Equivalents (refer note 9)	**2,325.38**	**1,432.43**

Consolidated Statement of Cash Flows (contd.)

for the year ended March 31, 2023

Reconciliation between opening and closing balances for liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	Borrowings
April 1, 2021	**189,876.73**
Cash flow	
- Interest	(10,850.98)
- Proceeds / (Repayment)	(5,425.00)
Transfer to borrowings	2,294.00
Accrual for the year	13,695.39
March 31, 2022	**189,590.14**
Cash flow	
- Interest	(14,971.08)
- On acquisition of asset	95,452.58
- Proceeds / (Repayment)	13,560.72
Transfer to borrowings	1,629.00
Accrual for the year	18,541.50
March 31, 2023	**303,802.86**

Notes:

1. All figures in bracket are outflow.
2. The Consolidated cash flow statement has been prepared under Indirect Method as per Ind AS 7 “Statement of Cash Flows”.
3. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

Summary of Significant accounting policies (refer note 3)

See accompanying notes to the consolidated financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm’s Reg no. 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Consolidated Statement of Changes in Unit Holders Equity

for the year ended March 31, 2023

(₹ in Lakhs)

	No of units	As at March 31, 2023	No of units	As at March 31, 2022
a. Unit Capital:				
At the beginning of the year	580,500,000	510,259.50	580,500,000	531,157.50
Issued during the year	-	-	-	-
Less: Capital reduction during the year (refer note 46)	-	(18,866.25)	-	(20,898.00)
At the end of the year	**580,500,000**	**491,393.25**	**580,500,000**	**510,259.50**

(₹ in Lakhs)

	As at March 31, 2023	As at March 31, 2022
b. Initial Settlement Amount		
At the beginning of the year	0.10	0.10
Received during the year	-	-
At the end of the year	**0.10**	**0.10**

(₹ in Lakhs)

	As at March 31, 2023	As at March 31, 2022
c. Other equity		
Retained earnings		
At the beginning of the year	(96,341.29)	(95,850.79)
Profit/(loss) for the year	36,958.02	30,265.99
Other comprehensive income	(29.39)	10.01
Interest distribution * (refer note 46)	(31,347.00)	(30,766.50)
At the end of the year	**(90,759.66)**	**(96,341.29)**

* Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2021-22 and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after March 31, 2023.

Summary of Significant accounting policies (refer note 3)

See accompanying notes to the consolidated financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg no. 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Disclosures Pursuant to SEBI Circulars

SEBI Circular No CIR/MD/DF/114/2016 dated October 20, 2016 and No CIR/MD/DF/127/2016 dated November 29, 2016 issued under the InvIT Regulations

A. Consolidated statement of net assets at fair value:

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Book value	Fair value	Book value	Fair value
A. Total assets	1,251,902.12	1,483,021.44	1,195,767.05	1,439,601.13
B. Total liabilities	851,268.43	900,234.95	781,848.74	852,810.09
C. Net Assets (A - B)	400,633.69	582,786.49	413,918.31	586,791.04
D. Number of units (in Lakhs)	5,805.00	5,805.00	5,805.00	5,805.00
E. NAV (C/D) (Amount in ₹)	69.02	100.39	71.30	101.08

Project wise break up of fair value of total assets:

(₹ in Lakhs)

Name of the project	As at March 31, 2023	As at March 31, 2022
IDAA Infrastructure Limited (IDAA)	14,959.95	18,295.01
IRB Talegaon Amravati Tollway Limited (IRBTA)	93,457.01	102,907.87
IRB Jaipur Deoli Tollway Limited (IRBJD)	188,342.59	185,285.35
IRB Surat Dahisar Tollway Limited (IRBSD)	46,835.05	53,971.59
IRB Tumkur Chitradurga Tollway Limited (IRBTC)	819,026.87	894,926.35
M.V.R Infrastructure and Tollways Limited (MVR)	55,041.18	69,807.74
IRB Pathankot Amritsar Toll Road Limited (IRBPA)	178,215.26	179,842.68
VK1 Expressway Limited (VK1)	151,250.32	-
Subtotal	**1,547,128.23**	**1,505,036.59**
Assets in IRB InvIT Fund	(64,106.79)	(65,435.46)
Total assets	**1,483,021.44**	**1,439,601.13**

B. Consolidated statement of total returns at fair value :

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total comprehensive income (As per the statement of profit and loss)	36,928.63	30,276.00
Add/Less: other changes in fair value (e.g., in investment property, property, plant & equipment (if cost model is followed)) not recognized in total comprehensive income	182,152.80	172,872.73
Total Return	**219,081.43**	**203,148.73**

Note:

The fair value of investments in Project SPV's are computed on the basis of the fair value of the underlying Toll Collection Rights/ Financial asset as at March 31, 2023 along with the book values of other assets and liabilities accounted in respective Project SPV's financial statements as at March 31, 2023.

Fair value of assets as at March 31, 2023 and as at March 31, 2022 and other changes in fair value for the year then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

Summary of Significant accounting policies (refer note 3)

See accompanying notes to the consolidated financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Reg no. 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Disclosures Pursuant to SEBI Circulars

(SEBI Circular No CIR/MD/DF/114/2016 dated October 20, 2016 and No CIR/MD/DF/127/2016 dated November 29, 2016 issued under the InvIT Regulations)

Statement of Net Distributable Cash Flows (NDCFs) of IRB InvIT Fund

(₹ in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	Cash flows received from Project SPVs in the form of Interest (Refer note 1 & 2)	47,983.32	41,284.74
2	Cash flows received from Project SPVs in the form of Dividend	-	-
3	Any other income accruing at the Trust level and not captured above, including but not limited to interest/return on surplus cash invested by the Trust	795.63	312.22
4	Cash flows received from the project SPVs towards the repayment (Net) of the debt issued to the Project SPVs by the Trust (Refer note 3)	18,893.37	31,022.75
5	**Total cash inflow at the Trust level (A)**	**67,672.32**	**72,619.71**
	Less:		
6	Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager	(12,880.49)	(12,547.93)
7	Income tax (if applicable) at the Standalone Trust Level	-	-
8	Repayment of external debt	(5,425.00)	(5,425.00)
9	**Total cash outflows / retention at the Trust level (B)**	**(18,305.49)**	**(17,972.93)**
10	**Net Distributable Cash Flows (C) = (A+B)**	**49,366.82**	**54,646.78**

Note:

1) The embargo on the Escrow bank account for ITCTL was uplifted as per the Interim order of the Hon'ble Arbitral Tribunal. However, the withdrawals pertaining to past periods towards debt servicing of ₹ 11,193.00 lakhs (net of ₹ 4,402.39 lakhs considered in earlier period) has not been considered in the above Net Distributable Cash Flow. The said accruals are utilized towards acquisition of VK1 project.
2) Excludes interest due but not received of ₹ 3,539.11 lakhs and ₹ 13,171.08 lakhs for the year ended March 31, 2023 and year ended March 31, 2022.
3) Netted – off with long-term unsecured loan given to Project SPV's. (Refer RPT disclosures of standalone financial statements)

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

IDAA Infrastructure Limited (IDAA)

(₹ in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(2,575.66)	(463.50)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	-	23,237.41
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund	-	365.85
5	Add :- Provision for Resurfacing Expenses (Net)	-	(4,703.47)
6	Add: Non-cash expenses	2,623.86	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**2,623.86**	**18,899.79**
10	**Net Distributable Cash Flows (C) = (A+B)**	**48.20**	**18,436.29**

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

IRB Surat Dahisar Tollway Limited (IRBSD)

(₹ in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	290.31	(2,980.19)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	6,269.78	31,170.02
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add:- Interest paid to the Fund	-	2,039.73
5	Add :- Provision for Resurfacing Expenses	-	(1,916.55)
6	Add:- Non-cash expenses	395.05	8,381.22
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**6,664.84**	**39,674.43**
10	**Net Distributable Cash Flows (C) = (A+B)**	**6,955.14**	**36,694.23**

Disclosures Pursuant to SEBI Circulars

(SEBI Circular No CIR/MD/DF/114/2016 dated October 20, 2016 and No CIR / MD / DF / 127 / 2016 dated November 29, 2016 issued under the InvIT Regulations)

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

IRB Talegaon Amravati Tollway Limited (IRBTA)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(1,344.96)	(2,056.27)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	1,466.77	1,294.14
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund	6,069.64	5,891.65
5	Add :- Provision for Resurfacing Expenses	(1,272.84)	(1,163.67)
6	Add: Non-cash expenses	0.06	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**6,263.62**	**6,022.12**
10	**Net Distributable Cash Flows (C) = (A+B)**	**4,918.66**	**3,965.85**

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

M.V.R Infrastructure and Tollways Limited (MVR)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	1,827.18	101.99
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	3,439.52	3,122.11
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add :- Interest paid to the Fund	4,860.09	4,823.94
5	Add :- Provision for Resurfacing Expenses	830.52	390.05
6	Add: Non-cash expenses	(37.50)	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**9,092.63**	**8,336.10**
10	**Net Distributable Cash Flows (C) = (A+B)**	**10,919.81**	**8,438.09**

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

IRB Jaipur Deoli Tollway Limited (IRBJD)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(4,613.10)	(7,177.12)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	2,370.65	2,092.72
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund	12,540.45	14,119.76
5	Add :- Provision for Resurfacing Expenses	3,003.60	(1,419.08)
6	Add: Non-cash expenses	622.64	(1,610.44)
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**18,537.35**	**13,182.96**
10	**Net Distributable Cash Flows (C) = (A+B)**	**13,924.25**	**6,005.84**

Disclosures Pursuant to SEBI Circulars

(SEBI Circular No CIR/MD/DF/114/2016 dated October 20, 2016 and No CIR / MD / DF / 127 / 2016 dated November 29, 2016 issued under the InvIT Regulations)

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

IRB Pathankot Amritsar Toll Road Limited (IRBPA)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(8,285.46)	(3,282.77)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	2,729.07	938.64
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund	13,942.30	14,073.71
5	Add :- Provision for Resurfacing Expenses	1,420.74	(947.54)
6	Add: Non-cash expenses	1,560.93	(11,533.96)
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**19,653.04**	**2,530.85**
10	**Net Distributable Cash Flows (C) = (A+B)**	**11,367.58**	**(751.92)**

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

IRB Tumkur Chitradurga Tollway Limited (IRBTC)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	5,267.64	2,366.31
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	8,725.45	7,725.26
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund*	13,240.59	13,171.08
5	Add :- Provision for Resurfacing Expenses	1,313.23	535.38
6	Add: Non-cash expenses	(187.42)	1,388.02
7	Less :- NHAI Premium	(22,384.00)	(20,576.00)
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**707.86**	**2,243.74**
10	**Net Distributable Cash Flows (C) = (A+B)**	**5,975.50**	**4,610.05**

As per interim order of the Division Bench of Hon'ble High Court, withdrawals from Escrow account of ITCTL were not permitted till final order in the matter. During the year, the embargo on the Escrow bank account was uplifted as per the Interim order of the Hon'ble Arbitral Tribunal. Kindly refer note 39 (c) for further details.

Statement of Net Distributable Cash Flows (NDCFs) of underlying SPVs

VK1 Expressway Limited (VK1)

(₹ in Lakhs)

Sr. No.	Description	October 13, 2022 to March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	2,833.48	-
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	-	-
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager *	2,824.73	-
4	Add: Interest paid to the Fund	902.28	-
5	Add :- Provision for Resurfacing Expenses	-	-
6	Add: Non-cash expenses	(964.04)	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	**Total Adjustments (B)**	**2,762.98**	**-**
10	**Net Distributable Cash Flows (C) = (A+B)**	**5,596.46**	**-**

Acquired from IRBIDL vide Share Purchase agreement dated October 13, 2022.

VK1 is obligated to create DSRA as per terms of agreement with the lenders and accordingly, funds are retained for the said purpose.

* Includes Annuity received from the Authority

Consolidated Financial Statements

for the year ended March 31, 2023

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

1. Nature of Operations

The IRB InvIT Fund (the "Fund" / "Trust") is a trust constituted by "The Indenture of Trust" dated October 16, 2015 registered under the Registration Act, 1908 and under the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014. The Fund is settled by the Sponsor, IRB Infrastructure Developers Limited ("IRB" or the "Sponsor"), an infrastructure development company in India. The Trustee to the Fund is IDBI Trusteeship Services Limited (the "Trustee") and Investment manager for the Fund is IRB Infrastructure Private Limited (the "Investment Manager").

The Fund has been formed to invest in infrastructure assets primarily being in the road sector in India. All of the Fund's road projects are implemented and held through special purpose vehicles ("Project SPVs/ Subsidiaries").

The consolidated financial statements comprise of financial statement of IRB InvIT Fund and its eight subsidiaries (collectively, "the Group") for the year ended March 31, 2023.

The registered office of the investment manager is IRB Complex, Chandivali Farm, Chandivali Village, Andheri- East, Mumbai – 400 072.

The consolidated financial statements were authorised for issue in accordance with resolution passed by the board of directors of the investment manager on May 8, 2023.

The road projects included in the Fund's portfolio comprises as listed below:-

Sr. No.	Subsidiary Name	Principal Nature of activity	Country of Incorporation	Extent of Control as at March 31, 2023	Extent of Control as at March 31, 2022
1	IDAA Infrastructure Limited (IDAA)	Infrastructure	India	100%	100%
2	IRB Talegaon Amravati Tollway Limited (IRBTA)	Infrastructure	India	100%	100%
3	IRB Jaipur Deoli Tollway Limited (IRBJD)	Infrastructure	India	100%	100%
4	IRB Surat Dahisar Tollway Limited (IRBSD)	Infrastructure	India	100%	100%
5	IRB Tumkur Chitradurga Tollway Limited (IRBTC)	Infrastructure	India	100%	100%
6	M.V.R Infrastructure and Tollways Limited (MVR)	Infrastructure	India	100%	100%
7	IRB Pathankot Amritsar Toll Road Limited (IRBPA)	Infrastructure	India	100%	100%
8	VK1 Expressway Limited (Formerly known as VK1 Expressway Private Limited) (VK1) *#	Infrastructure	India	100%	-

* Acquired vide Share Purchase agreement dated October 13, 2022

VK1 was converted from Private Limited Company to Public Limited Company w.e.f April 27, 2023

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations") and other accounting principles generally accepted in India.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The consolidated financial statements are presented in Indian Rupee ('INR') which is also the Group's functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated. Wherever the amount represented '0' (zero) construes value less than Rupees five hundred.

3. Summary of significant accounting policies

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Fund and its subsidiaries as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidated Financial Statements

for the year ended March 31, 2023

Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a Subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the Subsidiaries.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Group, i.e., year ended on 31 March.

Consolidation procedure:

i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the Subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

iv. Non-controlling interests in the net assets of consolidated subsidiaries consists of:

   a) The amount of equity attributed to non-controlling interests at the date on which investment in a Subsidiary came into existence;

   b) The non-controlling interest share of movement in equity since the date parent relationship came into existence;

   c) Non-controlling interest share of net profit/(loss) of consolidated Project SPV for the year is identified and adjusted against the profit after tax of the Group.

3.2 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value on acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are

Consolidated Financial Statements

for the year ended March 31, 2023

expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3.3 Asset acquisition

The acquisition of an asset or a group of assets that does not constitute a business. In such cases the acquirer shall identify and recognise the individual identifiable assets acquired including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38, Intangible Assets and liabilities assumed. The cost of the group is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

3.4 Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3.5 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.6 Foreign currencies

The Group's financial statements are presented in INR, which is also the Group's functional currency. The group does not have any foreign operation and has assessed the functional currency to be INR.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in Statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.7 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an annual basis, the Management of Investment Manager presents the valuation results to the Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 33 and 38)
- Financial instruments (including those carried at amortised cost) (note 33)
- Quantitative disclosure of fair value measurement hierarchy (note 34)

Consolidated Financial Statements

for the year ended March 31, 2023

3.8 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, excluding the estimates of variable consideration that is allocated to that performance obligation, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

Toll revenue

The income from Toll Contracts on BOT basis are recognised on actual collection of toll revenue (net of revenue share payable to NHAI) as per Concession Agreement. Revenue from electronic toll collection is recognised on accrual basis.

Toll collection charges

Revenue is recognised on actual collection of toll revenue (net of amount paid to NHAI) as per the Supplementary agreement with NHAI.

Contract revenue (construction contracts)

Contract revenue associated with the utility shifting incidental to construction of road are recognized as revenue by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bears to the estimated total contract costs.

The Group's operations involve levying of goods and service tax (GST) on the construction work. GST is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Contract revenue from Hybrid Annuity Contracts

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost. In the financial assets model, the amount due from the grantor meet the identification of the receivable which is measured at fair value.

Operation and maintenance contracts

Revenue from maintenance contracts are recognised over the period of the contract as and when services are rendered.

Claim Revenue

Claims are recognised as revenue as per relevant terms of the concession agreement with the authority when it is probable that such claims will be accepted by the customer that can be measured reliably.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.9 Government Grants

Grants and subsidies from the Government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

Grant received are considered as a part of the total outlay of the construction project and accordingly, the same is reduced from the gross value of assets

Consolidated Financial Statements
for the year ended March 31, 2023

3.10 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discount or rebates are deducted in arriving at the purchase price. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation is calculated on written down value method (WDV) using the useful lives as prescribed under the Schedule II to the Companies Act, 2013 or re-assessed by the Group.

The Group has estimated the following useful lives for its tangible fixed assets:

Asset class	Useful life
Plant & Machinery	9 years - 15 years
Office equipment	5 years
Computers	3 years
Servers	6 years
Vehicles	8 years
Furniture & fixtures	10 years
Toll Equipment	7 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.11 Intangible assets

Intangible assets are stated at cost, less accumulated amortisation and impairment losses.

Toll Collection Rights

Toll collection rights are stated at cost net of accumulated amortisation and impairment losses. Cost includes:

Toll Collection Rights awarded by the grantor against construction service rendered by the Project SPV on DBFOT basis - Direct and indirect expenses on construction of roads, bridges, culverts, infrastructure and other assets at the toll plazas.

Premium Obligation

As per the service concession agreement, the Group is obligated to pay the annual fixed amount of premium to National Highway Authorities of India (NHAI). This premium obligation has been capitalized as Intangible Asset given it is paid towards getting the right to earn revenue by constructing and operating the roads during the concession period. Hence, total premium payable as per the service concession agreement has been upfront capitalized at fair value of the obligation at the date of transition.

Intangible assets are amortised over the period of concession, using revenue based amortisation as per Exemption provided in Ind AS 101. Under this method, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

3.12 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised

Consolidated Financial Statements
for the year ended March 31, 2023

outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT)
Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Goods and service tax paid on acquisition of assets or on incurring expenses
Expenses and assets are recognised net of the amount of goods and service tax paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in

Consolidated Financial Statements

for the year ended March 31, 2023

which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

3.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.16 Premium Deferment

Premium Deferral (i.e. premium payable less paid after adjusting premium deferment) is aggregated under premium deferred obligation in the balance sheet. The interest payable on the above is aggregated under premium deferral obligation. Interest on premium deferral is capitalised during the construction period and thereafter charged to the statement of profit and loss.

3.17 Resurfacing expenses

As per the Concession Agreement, the Group is obligated to carry out resurfacing of the roads under concession. Provision required for resurfacing expenses are measured at the present value of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost

3.18 Contingent liabilities and Contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Consolidated Financial Statements

for the year ended March 31, 2023

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

3.19 Retirement and other employee benefits

Defined contribution plan

Retirement benefits in the form of provident fund, Pension Fund and Employees state Insurance Fund are a defined contribution scheme and the contributions are charged to the Statement of profit and loss of the period when the employee renders related services. There are no other obligations other than the contribution payable to the respective authorities.

Defined benefit plan

The Group has maintained a Group Gratuity Scheme with M/s. Life Insurance Corporation of India (LIC) managed by a separate Trust, towards which it annually contributes a sum based on the actuarial valuation made by M/s. LIC. Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short term benefits

Short-term employee benefit obligations are measured on an undisclosed basis and are expensed as the related services are provided. A liability is recognised for the amount expected to be paid i.e. under short-term cash bonus, if the Company has a present legal or constructive obligations to pay this amount as a result of past service provided by the employees, and the amount of obligation can be estimated reliably.

Leave encashment

The employee's compensated absences, which is expected to be utilised or encashed within the next twelve months, is treated as short term employee benefit. Accrual towards compensated absences at the end of the financial year is based on last salary drawn and outstanding leave absence at the end of the financial year.

3.20 Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, directly attributable transaction cost to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories;

- at amortised cost
- at fair value through profit or loss (FVTPL)
- at fair value through other comprehensive income (FVTOCI)

Consolidated Financial Statements

for the year ended March 31, 2023

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-

Consolidated Financial Statements

for the year ended March 31, 2023

through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

3.21 Impairment of assets

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial assets increases significantly since its initial recognition.

The impairment losses and reversals are recognized in Statement of Profit and Loss.

Trade Receivables

The Group has evaluated the impairment provision requirement under Ind AS 109 and has listed down below major facts for trade and other receivables impairment provisioning:

Trade receivable from NHAI are considered to be good and there are neither been any past instances of default and also management doesn't expect any default in case of Group receivables.

Other Financial Assets mainly consists of Loans to employees and Security deposits and other deposits, interest accrued on Fixed deposits, loans to related party, Retention money receivable from NHAI, Grant receivable from NHAI and other receivables and advances measured at amortised cost.

Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Groups financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are

Consolidated Financial Statements

for the year ended March 31, 2023

recognised in Statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Retention money payable

Retention money payable is measured at fair value initially. Subsequently, they are measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of profit and loss.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of profit and loss at the reclassification date.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Consolidated Financial Statements
for the year ended March 31, 2023

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.22 Contributed Equity
Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

3.23 Distribution to unit holders
The Group recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

3.24 Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.25 Asset held for sale
Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

3.26 Earnings Per Unit (EPU)
Basic earnings per unit are calculated by dividing the net profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

For the purpose of calculating diluted earnings per unit, the weighted average numbers of units outstanding during the year are adjusted for the effects of all dilutive potential units.

3.27 Recent pronouncements
Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements
This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Group's financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes
This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.

Consolidated Financial Statements

for the year ended March 31, 2023

Note 4 : Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land		Plant and machinery		Office equipments		Computer		Vehicles		Furniture and fixture		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Gross Block														
Opening Balance	98.61	98.61	4.67	4.67	7.92	7.92	2.42	2.42	1.35	1.35	6.07	6.07	121.03	121.03
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletion / adjustment	-	-	-	-	5.64	-	0.95	-	-	-	2.00	-	8.59	-
Closing Balance	**98.61**	**98.61**	**4.67**	**4.67**	**2.28**	**7.92**	**1.47**	**2.42**	**1.35**	**1.35**	**4.06**	**6.07**	**112.44**	**121.03**
Depreciation														
Opening Balance	-	-	3.10	2.68	4.67	4.42	1.79	1.69	0.67	0.67	4.25	4.01	14.48	13.47
Additions	-	-	0.33	0.42	0.14	0.25	0.01	0.10	-	-	0.17	0.24	0.65	1.01
Deletion/ adjustment	-	-	-	-	3.35	-	0.60	-	-	-	1.36	-	5.31	-
Closing Balance	-	-	**3.43**	**3.10**	**1.46**	**4.67**	**1.20**	**1.79**	**0.67**	**0.67**	**3.06**	**4.25**	**9.81**	**14.48**
Net Block	**98.61**	**98.61**	**1.24**	**1.56**	**0.83**	**3.25**	**0.27**	**0.63**	**0.68**	**0.68**	**1.01**	**1.82**	**102.63**	**106.55**

Consolidated Financial Statements

for the year ended March 31, 2023

Intangible Assets

(₹ in Lakhs)

Particulars	Toll Collection Rights		Premium to NHAI		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Gross Block						
Opening Balance	737,405.92	737,117.39	667,304.55	667,304.55	1,404,710.47	1,404,421.94
Additions	144.22	290.45	-	-	144.22	290.45
Deletion/ Adjustment	225,036.26	1.92	-	-	225,036.26	1.92
Closing Balance	**512,513.88**	**737,405.92**	**667,304.55**	**667,304.55**	**1,179,818.43**	**1,404,710.47**
Depreciation						
Opening Balance	261,930.01	200,353.68	47,740.04	41,238.96	309,670.05	241,592.64
Additions	15,907.44	61,570.63	10,224.51	6,501.08	26,131.95	68,071.71
Deletion/ Adjustment	225,036.26	-5.70	-	-	225,036.26	-5.70
Closing Balance	**52,801.18**	**261,930.01**	**57,964.55**	**47,740.04**	**110,765.74**	**309,670.05**
Net Block	**459,712.70**	**475,475.91**	**609,339.99**	**619,564.51**	**1,069,052.69**	**1,095,040.42**

Notes :

Toll Collection Rights includes toll equipments

Intangible assets under development

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	142.98	212.09
Additions during the year	-	149.34
Capitalised during the year	142.98	218.45
Total	**-**	**142.98**

Intangible assets (Work in Progress) - Cost have not exceeded and completion is not overdue.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	-	142.98
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-

Consolidated Financial Statements
for the year ended March 31, 2023

(₹ in Lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Note 5 : Investments		
A) Non - current investments		
Investments in Government or trust securities		
(unquoted) (at amortised cost)		
National saving certificates	0.40	0.40
Total (A)	**0.40**	**0.40**
B) Current investments		
a) Investments in mutual funds (quoted)		
(at fair value through profit and loss)		
Aditya Birla Sun Life Liquid Fund	113.25	15,576.87
31,189.92 units @ ₹ 363.08 (March 31, 2022 : 4,539,703.54 units @ ₹ 343.1252)		
L&T Liquid Fund	-	800.15
Nil (March 31, 2022 : 27,449.668 units @ ₹ 2,914.9581)		
Aditya Birla Sun Life Saving Fund *	114.46	-
24,339.56 units @ ₹ 470.36 (March 31, 2022 : Nil)		
SBI Overnight Direct Growth Fund	9,790.72	-
268,294.37 units @ ₹ 3,649.25 (March 31, 2022 : Nil)		
SBI Liquid fund	3,072.57	-
87,207.01 units @ ₹ 3,523.30 (March 31, 2022 : Nil)		
SBI Magnum Low Duration Fund Direct Plan *	5,408.74	5,133.84
1,76,462.90 units @ ₹ 3,065.09 (March 31, 2022 : 1,76,462.90 units @ ₹ 2909.3029)		
Total (B)	**18,499.74**	**21,510.86**
Total (A+B)	**18,500.14**	**21,511.26**
Aggregate book value of quoted investments	18,499.74	21,510.86
Market value of quoted investments	18,499.74	21,510.86
Aggregate amount of unquoted investments	0.40	0.40

* [(Mutual fund held for DSRA ₹ 5,523.20 lakhs (March 31, 2022: ₹ 5,133.84 lakhs)]

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Note 6 : Other Financial Assets				
Receivable from government authorities (NHAI)	32,297.34	116,684.68	8,214.94	-
Interest accrued on fixed deposits	6.78	-	3.62	-
Retention money receivables	410.69	-	233.42	-
Other receivables	630.89	-	705.63	-
Security and other deposits	79.15	-	64.24	-
Total	**33,424.85**	**116,684.68**	**9,221.85**	**-**

Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 7 : Cash and Cash Equivalents		
Cash and bank balances		
Balances with banks:		
- on current accounts	43.68	253.52
- on escrow accounts	2,246.04	1,114.11
Cash on hand	35.66	64.80
Total	**2,325.38**	**1,432.43**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 8 : Bank Balances other than Cash and Cash Equivalent		
- Unpaid distribution accounts	33.86	48.28
- on escrow accounts	-	64,701.32
- Original maturity of less than 3 Months *	723.00	2,807.50
- Original maturity of more than 3 months but less than 12 months	518.90	35.19
Total	**1,275.76**	**67,592.29**

* Lien marked by bank

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 9 : Loans		
(Unsecured, considered good, unless otherwise stated)		
Loans to employees	5.93	3.91
Total	**5.93**	**3.91**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 10 : Income Tax Assets (net)		
Advance income-tax (net of provision for tax of ₹ 488.80 lakhs, March 31, 2022 : ₹ 104.13 lakhs)	613.54	611.72
Total	**613.54**	**611.72**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 11 : Other Current Assets		
Advance with suppliers	-	32.22
Prepaid expenses	19.41	5.57
Duties and taxes receivables	9,897.11	65.85
Total	**9,916.52**	**103.64**

Consolidated Financial Statements
for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 12 : Equity		
I. Unit capital		
580,500,000 (March 31, 2022: 580,500,000) units (issue price : ₹ 102)	491,393.25	510,259.50
	491,393.25	**510,259.50**
Initial settlement amount	0.10	0.10

Rights of Unit holders
Subject to the provisions of the InvIT Regulations, the Indenture of Fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) right to receive income or distributions with respect to the units held;

b) right to attend the annual general meeting and other meetings of the unit holders of the Fund;

c) right to vote upon any matters/resolutions proposed in relation to the Fund;

d) right to receive periodic information having a bearing on the operations or performance of the Fund in accordance with the InvIT Regulations; and

e) right to apply to the Fund to take up certain issues at meetings for unit holders approval.

In accordance with the InvIT Regulations, no unit holders shall enjoy superior voting or any other rights over any other unit holders, and there shall not be multiple classes of units. There shall be only one denomination of units. Notwithstanding the above, subordinate units may be issued only to the Sponsor and its Associates, where such subordinate units shall carry only inferior voting or any other rights compared to the other units.

Limitation to the Liability of the unit holders
The liability of each unit holders towards the payment of any amount (that may arise in relation to the Fund including any taxes, duties, fines, levies, liabilities, costs or expenses) shall be limited only to the extent of the capital contribution of such unit holders and after such capital contribution shall have been paid in full by the unit holders, the unit holders shall not be obligated to make any further payments. The unit holders(s) shall not have any personal liability or obligation with respect to the Fund.

II. Reconciliation of the number of units outstanding and the amount of unit capital:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units	Amount ₹ in Lakhs	No. of units	Amount ₹ in Lakhs
At the beginning of the year	580,500,000	510,259.50	580,500,000	531,157.50
Issued during the year	-	-	-	-
Less: Capital reduction during the year	-	18,866.25	-	20,898.00
At the end of the year	**580,500,000**	**491,393.25**	**580,500,000**	**510,259.50**

Details of unit holders holding more than 5% units :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units	% of total unit capital	No. of units	% of total unit capital
IRB Infrastructure Developers Limited	92,705,000	15.97%	92,705,000	15.97%
Government Of Singapore	43,977,500	7.58%	45,245,000	7.79%
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Hybrid '95 Fund	37,100,000	6.40%	37,100,000	6.40%

Consolidated Financial Statements
for the year ended March 31, 2023

Details of Sponsor units

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units	% Holding	No. of units	% Holding
IRB Infrastructure Developers Limited	92,705,000	15.97%	92,705,000	15.97%

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 13 : Other Equity		
At the beginning of the year	(96,341.29)	(95,850.79)
Profit/(loss) for the year	36,958.02	30,265.99
Other comprehensive income/(loss) for the year		
Re-measurement gains/ (losses) on defined benefit plans	(29.39)	10.01
Interest distribution (refer note 46)	(31,347.00)	(30,766.50)
At the end of the year	**(90,759.66)**	**(96,341.29)**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 14 : Borrowings		
Non-current borrowings		
Term loans (Secured)		
Indian rupee loan from banks	232,280.45	142,205.45
Less : current maturities expected to be settled within 12 month from balance sheet date	(10,773.00)	(5,425.00)
	221,507.45	**136,780.45**
Indian rupee loan from financial institutions	18,800.00	-
Less : current maturities expected to be settled within 12 month from balance sheet date	(94.00)	-
	18,706.00	**-**
Unamortised transaction cost	(1,039.65)	(946.42)
From other parties (secured)		
Deferred premium obligation	33,694.45	32,065.45
Interest payable on premium deferment	20,067.61	16,265.66
Total	**292,935.86**	**184,165.14**

1. **Indian rupee loan from banks/ financial institutions**
   i) Secured by pari pasu charge on escrow account and on receivable of fund arising out of principal and interest payment of the loans by Fund to subsidiaries.

   ii) Pledge of shares held of 51% of share holding in the total paid-up equity share capital of IRB Jaipur Deoli Tollway Limited, IRB Pathankot Amritsar Toll Road Limited and VK1 Expressway Limited.

   iii) Interest rates on Indian rupee loan is ranging from 7.25% p.a. to 8.90% p.a. (Previous year: 7.25% p.a. to 8.15% p.a.). The Indian rupee loans from banks/ financial instititutions is repayable in unstructured quarterly/ half yearly instalment as per the repayment schedule specified in loan agreement with the Lenders.

2. **Deferred Premium Obligation**
   National Highways Authority of India has approved deferment of premium obligation which carries interest rate @ 2% above the RBI bank rate. Bank guarantee has been provided to NHAI. The repayment is in accordance with the cash surplus accruing to the Company over the concession period.

   There have been no breaches in the financial covenants with respect to borrowings.

Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Note 15 : Other Financial Liabilities				
Premium obligation/ negative grant to NHAI	18,700.83	485,701.48	64,935.85	506,031.31
Unclaimed distribution	33.86	-	48.28	-
Deposits	1.60	-	8.12	-
Retention money payable	702.97	-	291.06	-
Revenue share payable	2,196.01	-	13,580.36	-
Employee benefits payable	123.36	-	207.49	-
Other payable	5,572.95	-	359.00	-
Capital creditors	-	1,696.48	-	1,696.49
Total	**27,331.58**	**487,397.96**	**79,430.16**	**507,727.80**

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Note 16 : Provisions				
Provision for employee benefits				
- Leave encashment	7.90	-	5.82	-
- Gratuity (refer note 44)	-	33.85	20.80	239.68
Others				
Resurfacing expenses *	1,553.95	6,272.95	1,272.84	1,258.81
Total	**1,561.85**	**6,306.80**	**1,299.46**	**1,498.49**

* The above provisions are based on current best estimation of expenses that may be required to fulfil the resurfacing obligation as per the service concession agreement with regulatory authorities. It is expected that significant portion of the costs will be incurred over the period. The actual expense incurred may vary from the above. No reimbursements are expected from any sources against the above obligation.

The movement in resurfacing expenses is as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2,531.65	11,756.54
Add: Provision made during the year	7,039.39	4,845.11
Less: Utilised during the year	(1,744.14)	(14,070.00)
Total	**7,826.90**	**2,531.65**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 17 : Deferred tax liabilities		
Deferred tax liabilities:		
Difference in depreciation and other differences in block of Property, plant and equipment as per tax books & financial books	-	37.51
Deferred tax liabilities	**-**	**37.51**

Consolidated Financial Statements
for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Note 18 : Other liabilities				
Advance from customers	-	-	32.22	-
Deferred revenue	712.02	13,236.06	-	-
Duties and taxes payable	160.57	-	238.62	-
Total	**872.59**	**13,236.06**	**270.84**	**-**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 19 : Borrowings		
Current maturities of long-term borrowings		
- Indian rupee loan from banks	10,773.00	5,425.00
- Indian rupee loan from financial institutions	94.00	-
Total	**10,867.00**	**5,425.00**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 20 : Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 32)	14.38	12.83
Total outstanding dues of creditors other than micro and small enterprises	10,744.35	1,981.51
Total	**10,758.73**	**1,994.34**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 90 day terms.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 21 : Revenue from Operations		
Income arising out of toll collection (net of revenue share paid to NHAI)	90,190.51	128,857.01
Toll collection charges (net of additional revenue share paid to NHAI)	128.96	96.94
Contract revenue (utility shifting)	4,536.78	802.32
Interest income on annuity	6,151.65	-
Operation and maintenance revenue	576.66	-
Other operating income	42,587.93	9,400.35
Total	**144,172.49**	**139,156.62**
Disaggregated revenue information		
The table below presents disaggregated revenue from contracts with customers		
Income from services (Revenue from contracts with Customers)		
Services transferred over time		
Income from toll collection	90,190.51	128,857.01
Contract revenue (Utility shifting)	4,536.78	802.32
Interest income on annuity	6,151.65	-
Operation and maintenance revenue	576.66	-
Toll collection charges	128.96	96.94
Revenue from contracts with customers	**101,584.56**	**129,756.27**
Other operating revenue		
Other operating income	42,587.93	9,400.35
Total revenue from operation	**144,172.49**	**139,156.62**

Consolidated Financial Statements
for the year ended March 31, 2023

Performance Obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by NHAI and approved by management and payment is generally due at the time of providing services.

Contract revenue

The performance obligation under contractual agreements is due on completion of work as per terms of contracts.

Contract balances

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Contract assets *	150,689.45	8,778.42
Total	**150,689.45**	**8,778.42**

* Amount include toll receivable

Contract Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liabilities	2,196.01	8,721.74
Total	**2,196.01**	**8,721.74**

There are no reconciling items in the revenue recognised in the statement of profit and loss with contracted price.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 22 : Other Income		
Interest income on		
- Bank deposits	33.69	36.86
- Others	48.87	354.46
Profit on sale of investments (net)	897.36	233.58
Change in fair value on mutual funds	303.11	199.30
Other non operating income	727.38	53.53
Total	**2,010.41**	**877.73**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 23 : Operating Expenses		
Operation and maintenance expenses	51,832.54	4,531.11
Site and other direct expenses	666.68	1,367.85
Total	**52,499.22**	**5,898.96**

Consolidated Financial Statements
for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 24 : Employee benefits Expenses		
Salaries, wages and bonus	1,391.85	2,167.74
Contribution to provident and other funds	100.77	154.86
Gratuity expenses	24.59	38.31
Staff welfare expenses	145.39	233.23
Total	**1,662.60**	**2,594.14**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 25 : Depreciation and Amortisation Expenses		
Depreciation on property, plant and equipment	0.65	1.04
Amortisation on intangible assets	26,131.95	68,071.71
Total	**26,132.60**	**68,072.75**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 26 : Finance Costs		
Interest expense		
- Banks and financial institutions	14,832.78	10,840.71
- Premium deferment	3,801.95	2,767.37
- Unwinding of discount on provision of MMR	561.11	314.00
Other finance costs (Including unamortised transaction cost)	62.20	262.29
Total	**19,258.04**	**14,184.37**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 27 : Other Expenses		
Power and fuel	-	1.34
Rent	3.82	8.81
Rates and taxes	5.74	97.81
Travelling and conveyance	2.27	0.42
Communication cost	0.99	1.30
Printing and stationery	0.31	0.02
Advertisement expenses	7.91	15.67
Directors sitting fees (including GST)	21.83	18.22
Corporate Social Responsibilities	56.00	-
Legal and professional expenses	896.13	733.57
Payment to Auditor (including GST)	34.53	45.29
Bank charges	5.13	8.37
Miscellaneous expenses	4.59	240.25
Total	**1,039.25**	**1,171.07**

Consolidated Financial Statements
for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Payment to auditor (including GST)		
As auditors:		
- Statutory audit fees	11.96	22.07
- Limited review fees	14.05	17.88
- Tax audit fees	1.06	-
In other capacity:		
- Other services (certification fees)	2.59	3.98
Reimbursement of expenses	1.32	1.37
Total	**30.98**	**45.29**

Note 28 : Earnings per unit (EPU)
The following reflects the income and share data used in the basic and diluted EPU computations:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit / (loss) attributable to Unit holders for basic and diluted earnings	36,958.02	30,265.99
Weighted average number of Units in calculating basic and diluted EPU	580,500,000	580,500,000
Basic earning per Unit (Rupees/unit)	6.37	5.21
Diluted earning per Unit (Rupees/unit)	6.37	5.21

Note 29 : Components of other Comprehensive Income
The disaggregation of changes to OCI by each type of reserve in equity is shown below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Re-measurement gains/ (losses) on defined benefit plans (Refer note 44)	(29.39)	10.01
Total	**(29.39)**	**10.01**

Note 30 : Commitment and Contingent liability
a. Commitments

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Commitment for acquisition of toll equipment & machineries	-	1.24
b) Other commitments	-	-
Total	**-**	**1.24**

b. Contingent Liability

Contingent liabilities not provided for

There are no contingent liabilities as as March 31, 2023 (March 31, 2022: Nil).

i) The Group's pending litigations comprise of claims against the Group primarily by the commuters and regulators. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. The Group has not provided for or disclosed contingent liabilities for matters considered as remote for pending litigations/public litigations(PIL)/claims wherein the management is confident, based on the internal legal

Consolidated Financial Statements
for the year ended March 31, 2023

assessment and advice of its lawyers that these litigations would not result into any liabilities. The Group does not expect the outcome of these proceedings to have a material adverse effect on the consolidated financial statements.

ii) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident fund dated February 28, 2019. Management believed and evaluated that the impact is not material. The Group will update its provision, on receiving further clarity on the subject.

Note 31 : Segment Reporting
The Group's activities comprise of Toll Collection in various parts of India. Based on the guiding principles given in Ind AS - 108 " Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of the standard have not separately been given.

Note 32 : Trade payable
a) Details of dues to micro and small enterprises as per MSMED Act, 2006

The following details regarding Micro and small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Group.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to any supplier as at the year end	14.38	12.83
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

MSME ageing schedule as at

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
MSME Undisputed Dues		
Unbilled amount	14.38	12.83
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total dues to micro and small enterprises as per MSMED Act, 2006	**-**	**-**

There are no disputed dues to micro and small enterprises as per MSMED Act, 2006.

Consolidated Financial Statements

for the year ended March 31, 2023

b) Ageing of creditors other than micro enterprises and small enterprises as at

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Undisputed Dues		
Unbilled amount	151.83	368.31
Less than 1 year	10,406.71	1,359.48
1-2 Years	28.59	62.67
2-3 Years	154.60	191.05
More than 3 years	2.61	-
Total dues to creditors other than micro enterprises and small enterprises as at	**10,744.35**	**1,981.51**

There are no disputed dues to creditors other than micro enterprises and small enterprises.

Note 33 : Fair Values

The carrying values of financials instruments of the group are reasonable and approximations of fair values

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets				
Financial assets measured at amortised cost				
Loans	5.93	5.93	3.91	3.91
Other financial assets	150,109.53	150,109.53	9,221.85	9,221.85
Cash and cash equivalents	2,325.38	2,325.38	1,432.43	1,432.43
Bank balance other than cash and cash equivalents	1,275.76	1,275.76	67,592.29	67,592.29
Investments	0.40	0.40	0.40	0.40
Financial assets measured at fair value through statement of Profit & Loss				
Investments	18,499.74	18,499.74	21,510.86	21,510.86
Total	**172,216.74**	**172,216.74**	**99,761.74**	**99,761.74**
Financial liabilities				
Financial liabilities measured at amortised cost				
Borrowings	303,802.86	304,842.51	189,590.14	190,536.56
Trade payables	10,758.73	10,758.73	1,994.34	1,994.34
Other financial liabilities	514,729.54	514,729.54	587,157.96	587,157.96
Total	**829,291.13**	**830,330.78**	**778,742.44**	**779,688.86**

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group is required to present the Statement of total assets at fair value and Statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 as a part of these Consolidated financial statements - Refer Statement of Net assets at fair value and Statement of Total Returns at fair value.

Consolidated Financial Statements

for the year ended March 31, 2023

Note 34 : Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) price is active market for identical assets or liabilities.

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in Lakhs)

	As at March 31, 2023	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Investments in mutual fund	18,499.74	18,499.74	-	-

(₹ in Lakhs)

	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Investments in mutual fund	21,510.86	21,510.86	-	-

There has been no transfer between Level 1, Level 2 & Level 3 during the year.

Note 35 : Financial risk management objectives and policies

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

In performing its operating, investing and financing activities, the Group is exposed to the Credit risk, Liquidity risk and Currency risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Fund is exposed to credit risk from its investing activities including investments, trade receivables, loans, deposits with banks and other financial instruments. As at March 31, 2023, and as at March 31, 2022 the credit risk is considered low since substantial transactions of the Fund are with its subsidiaries.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Consolidated Financial Statements

for the year ended March 31, 2023

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the fund's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Increase in basis points		
- INR	50	50
Effect on profit before tax		
- INR	1,507.10	700.88
Decrease in basis points		
- INR	50	50
Effect on profit before tax		
- INR	(1,507.10)	(700.88)

Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2023				
Borrowings	31,861.22	168,758.53	345,107.67	545,727.42
Other financial liabilities	27,331.58	114,781.49	372,616.47	514,729.54
Trade payables	10,758.73	-	-	10,758.73
Total	**69,951.52**	**283,540.03**	**717,724.13**	**1,071,215.68**

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2022				
Borrowings	15,587.81	88,911.63	191,111.09	295,610.53
Other financial liabilities	81,126.63	79,035.57	426,995.76	587,157.96
Trade payables	1,994.34	-	-	1,994.34
Total	**98,708.78**	**167,947.20**	**618,106.85**	**884,762.83**

At present, the Group does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

Consolidated Financial Statements

for the year ended March 31, 2023

Note 36 : Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings (Note 14 & 19)	304,842.51	190,536.56
Less: Cash and cash equivalents (Note 7)	(2,325.38)	(1,432.43)
Net debt	**302,517.13**	**189,104.13**
Equity (Note 12 & 13)	400,633.69	413,918.31
Total equity	**400,633.69**	**413,918.31**
Capital and net debt	**703,150.82**	**603,022.44**
Gearing ratio (%)	**43.02%**	**31.36%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

Note 37 : Details of Project management fees and Investment management fees

Details of fees paid to project manager and investment manager as required pursuant to SEBI Circular No. CIR/MD/DF/127/2016, dated November 29, 2016 are as under:

i) **Project management fees**

In accordance with the Project Implementation Agreements, the fees and remuneration payable by the Project SPVs to the Project Manager has been worked out and agreed upon for the duration of current financial year, between the Project Manager, Investment Manager and the respective Project SPV, on an arm's length basis, after taking into account the extent of work to be done in respect of maintenance and other services to be provided by the Project Manager to such Project SPV.

ii) **Investment management fees**

Pursuant to the Investment Management Agreement, the Investment Manager is entitled to an Investment Management fees to be calculated @ 1% per annum, exclusive of GST, of the consolidated toll revenue (net of premium paid / revenue shared with NHAI) of the Fund at the end of the reporting period subject to a floor of ₹ 100 million and a cap of ₹ 250 million.

Note 38: Significant accounting judgement, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Consolidated Financial Statements

for the year ended March 31, 2023

Classification of unit holders' funds

Under the provisions of the InvIT Regulations, the Group is required to distribute to unit holders not less than ninety percent of the net distributable cashflows of the Group for each financial year. Accordingly, a portion of the unit holders'funds contains a contractual obligation of the Fund to pay to its unit holders cash distributions. The unit holders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32- Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No.CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unit holders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

i) **Major maintenance expenses / Resurfacing expenses**

As per the Service Concession Agreements, the Group is obligated to carry out resurfacing of the roads under concession. Provision required for resurfacing expenses are measured at the present value of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost, in the statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

ii) **Fair value and disclosures**

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer Statement of net assets at fair value and Statement of total returns at fair value). In estimating the fair value of road projects (which constitutes substantial portion of the total assets), the Group engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the road projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as Debt-equity ratio, WACC, Tax rates, Inflation rates, and uncertainties relating to COVID -19 etc.

iii) **Taxes**

Current tax

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Deferred tax

The subsidiary companies shall be claiming deduction under section 80-IA of the Income Tax Act, 1961. There are significant timing differences that result in deferred tax assets/ liabilities and which shall be reversing during the said tax holiday period. Consequently, the Company has not recognized any deferred tax asset/liability on such non-taxable income.

iv) **Defined benefit plans (gratuity benefits)**

A liability in respect of defined benefit plans is recognised in the balance sheet and is measured as the present value of the defined benefit obligation at the reporting date. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

v) **Amortization of intangible assets**

The intangible assets which are recognized in the form of Right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets. The estimation of total projection revenue requires significant assumption about expected growth rate and traffic projection for future. All assumptions are reviewed at each reporting date.

vi) **Impairment of intangible assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from budgets / forecasts over the life of the projects.

Consolidated Financial Statements

for the year ended March 31, 2023

Note 39 : Revenue share/ Premium payment to NHAI

(a) During the year ended March 31, 2023, the Group has paid/ accrued ₹ 14,373.09 lakhs (March 31, 2022: ₹ 45,398.81 lakhs) as Revenue Share to National Highways Authority of India ("NHAI") out of its toll collection in accordance with the Concession Agreements entered with NHAI. Income from Operations in the financials for the above periods is net off the above Revenue Share to NHAI.

(b) Subsidiary companies i.e. IRBTC and MVR have been awarded contracts on a DBFOT basis. As per the terms of the concession agreement, the group is obligated to pay NHAI as additional concession fee over the concession period. Accordingly, the liability for the entire amount of concession fee payable has been created and the corresponding amount is shown as Toll Collection Rights under the head Intangible Assets.

(c) Due to dispute on the deferred premium calculation of previous years between the Company ('the concessionaire') and the NHAI, the concessionaire has filed appeal with the Hon'ble High Court of Delhi for resolution against the NHAI's demand of advance premium of ₹ 16.98 crore in aggregate and interest on it. As per the interim order of the Division Bench of Hon'ble High Court, withdrawals from Escrow Account are not permitted till the final order in the matter. The Division Bench of Hon'ble High Court, while disposing off the petitions, had continued with the embargo on withdrawals from the Escrow Account. The Hon'ble High Court further referred the matter to Arbitration Tribunal for adjudication and interim relief, if any, to the Parties based on their applications. During the arbitration proceedings, the Hon'ble Arbitral Tribunal, in its Interim Award, had removed the existing embargo on the operations of the Escrow Account and permitted the withdrawals towards taxes, O&M payments and debt servicing by the Company aggregating to ₹ 193 crores and also allowed withdrawals for payment of undisputed premium/ revenue share to NHAI. Moreover, the Hon'ble Arbitral Tribunal permitted the operations of the escrow account to continue as per the waterfall mechanism provided in the Escrow agreement. The matter is currently pending before the Arbitral Tribunal.

Note 40 : Project acquisition

Pursuant to the Share Purchase Agreement dated October 13, 2022, the Trust has acquired the subsidiary company viz. VK1 Expressway Limited ('Project SPV'). Accordingly, the revenue and corresponding expenses in Project SPV has been included from October 13, 2022 to March 31, 2023 in the Consolidated Financial Statements. For details, kindly refer note 43.

Note 41 : Corporate Social Responsibility

(₹ in Lakhs)

		For the year ended March 31, 2023
(a)	Gross amount required to be spent by the Company during the year	55.94
(b)	Amount spent during the year on:	

Particulars		In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	56.00	-	56.00

(₹ in Lakhs)

		For the year ended March 31, 2022
(a)	Gross amount required to be spent by the Company during the year	-
(b)	Amount spent during the year on:	

Particulars		In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	-	-	-

Consolidated Financial Statements

for the year ended March 31, 2023

Note 42 : Other Statutory information

i) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

ii) The Group does not hold benami property and no proceedings under Benami transaction (Prohibition) Act 1988 have been initiated against the Group.

iii) The Group do not have any transactions with companies struck off.

iv) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

v) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi) The Group have not advance or loaned or invested (either from borrowed fund or share premium or any other source or kind of fund) by the company to or in any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Group did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

viii) The Group has not declared a wilful defaulter by any bank/ financial institution or any other lender during the year.

Consolidated Financial Statements

for the year ended March 31, 2023

Note 43 : Statement of Related Party Transactions :

i. List of Related Parties

i. Parties to the Fund	IRB Infrastructure Developers Limited (IRBIDL) (Sponsor & Project Manager)
	IRB Infrastructure Private Limited (IRBFL) (Investment Manager)
	IDBI Trusteeship Services Limited (ITSL) (Trustee)

ii. Promoters/ Directors of the parties to the IRB InvIT Fund specified in (i) above

Particulars	IRB Infrastructure Developers Limited (Sponsor & Project manager)	IRB Infrastructure Private Limited (Investment manager)	IDBI Trusteeship Services Limited (Trustee of the IRB InvIT Fund)
Promoters	Mr. Virendra D. Mhaiskar	IRB Infrastructure Developers Limited	IDBI Bank Limited
	Mrs. Deepali V. Mhaiskar		Life Insurance Corporation of India
	Virendra D. Mhaiskar HUF		General Insurance Corporation of India
Directors	Mr. Virendra D. Mhaiskar	Mr. Vinod Kumar Menon	Mr. J. Samuel Joseph
	Mrs. Deepali V. Mhaiskar	Mr. Rajinder Pal Singh	Mrs. Jayshree Ranade (w.e.f. 20.09.2021)
	Mr. Chandrashekhar S. Kaptan	Mr. Sunil Tandon	Mr. Pradeep Kumar Jain (w.e.f. 24.03.2022)
	Mr. Sunil H. Talati	Mr. Nikesh Jain (w.e.f. 16.03.2022)	Mr. Pradeep Kumar Malhotra (w.e.f. 17.01.2023)
	Mr. Sandeep J. Shah	Mr. Rushabh Gandhi (w.e.f. 31.03.2023)	Mrs. Baljinder Kaur Mandal (w.e.f. 17.01.2023)
	Ms. Priti Savla (w.e.f. 10.02.2022)	Mrs. Anusha Date (w.e.f. 31.03.2023)	Mr. Satyajit Tripathy (till 17.09.2021)
	Mr. Jose Angel Tamariz Martel Goncer (w.e.f. 29.12.2021)		Mr. Ravishankar G. Shinde (till 15.03.2022)
	Mr. Ravindra Dhariwal (w.e.f. 05.08.2022)		Mrs. Madhuri J. Kulkarni (till 06.12.2022)
	Mr. Carlos Ricardo Ugarte Cruz Coke (till 05.08.2022)		Mrs. Padma Betai (till 31.12.2022)
	Mr. Mukeshlal Gupta (till 29.12.2021)		
	Mr. Sudhir Rao Hoshing (till 29.12.2021)		
	Mrs. Heena Raja (till 10.02.2022)		
Director of Subsidiary Companies	Mr. Vinodkumar Menon		
	Mr. Bajrang Lal Gupta		
	Mr. Sumit Banerjee		
	Mr. Omprakash Singh		
	Mr. Rushabh Gandhi		
	Mr. Darshan Sangurdekar (w.e.f. 12.12.2021)		
	Mrs. Kshama Vengsarkar (w.e.f. 12.12.2021)		
	Mrs. Heena Raja (till 11.12.2021)		
Relatives of Directors	Mrs. Surabhi Banerjee		
	Mrs. Nayana Gandhi		

Consolidated Financial Statements

for the year ended March 31, 2023

iii. Statement of Related Party Transactions :

(₹ in Lakhs)

Sr. No.	Particulars	Relation	Year ended March 31, 2023	Year ended March 31, 2022
1	**Project Manager Fees**		**8,575.55**	**27,139.00**
	IRBIDL	Project Manager	8,575.55	27,139.00
2	**Contract expenses**		**41,784.26**	**-**
	IRBIDL	Project Manager	41,784.26	
3	**Investment Management fees paid (including indirect taxes)**		**1,180.00**	**1,278.15**
	IRBFL	Investment Manager	1,180.00	1,278.15
4	**Secured advance given**		**-**	**25,729.79**
	IRBIDL	Project Manager	-	25,729.79
5	**Secured advance recovered**		**-**	**25,729.79**
	IRBIDL	Project Manager	-	25,729.79
6	**Interest income**		**-**	**335.08**
	IRBIDL	Project Manager	-	335.08
7	**Director sitting fees**	Director	**18.14**	**15.44**
	Mr.Vinodkumar Menon		3.25	3.07
	Mr.Sumit Banarjee		2.00	3.30
	Mr. Bajrang Lal Gupta		3.00	2.50
	Mrs. Heena Raja		-	3.10
	Mr. Rushabh Gandhi		1.52	1.37
	Mrs. Kshama Vengsarkar		0.94	0.20
	Mr. Darshan Sangurdekar		4.70	1.20
	Mr. Omprakash Singh		2.73	0.70
8	**Trusteeship Fees**		**29.50**	**29.50**
	ITSL	Trustee	29.50	29.50
9	**Distribution in the form of interest**		**5,770.53**	**5,659.55**
	IRBIDL	Sponsor	5,006.07	4,913.37
	Mr. Virendra D. Mhaiskar	Director of Sponsor	660.96	648.72
	Mrs. Deepali V. Mhaiskar	Director of Sponsor	85.95	82.15
	Mr. Sudhir Rao Hoshing	Director of Sponsor	8.64	6.56
	Mr. Sunil Talati	Director of Sponsor	0.54	0.53
	Mr. Vinodkumar Menon	Director of Investment Manager	1.62	1.59
	Mr. B L Gupta	Director of subsidiary companies	0.54	0.53
	Mr. Sumit Banerjee	Director of subsidiary companies	2.97	2.92
	Mrs. Surabhi Banerjee	Relative of Director	1.62	1.59
	Mrs. Nayana Gandhi	Relative of Director	1.62	1.59
10	**Distribution in the form of return of capital**		**3,472.44**	**3,843.60**
	IRBIDL	Sponsor	3,012.91	3,337.38
	Mr. Virendra D. Mhaiskar	Director of Sponsor	397.80	440.64
	Mrs. Deepali V. Mhaiskar	Director of Sponsor	51.16	55.80
	Mr. Sudhir Rao Hoshing	Director of Sponsor	5.20	3.84
	Mr. Vinodkumar Menon	Director of Investment Manager	0.98	1.08
	Mr. Sunil Talati	Director of Sponsor & Project Manager	0.33	0.36
	Mr. B L Gupta	Director of subsidiary companies	0.33	0.36
	Mr. Sumit Banerjee	Director of subsidiary companies	1.79	1.98
	Mrs. Surabhi Banerjee	Relative of Director	0.98	1.08
	Mrs. Nayana Gandhi	Relative of Director	0.98	1.08

Consolidated Financial Statements

for the year ended March 31, 2023

Related party balances :

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As at March 31, 2023	As at March 31, 2022
1	**Trade Payables**		**10,238.07**	**1,037.62**
	IRBFL	Investment Manager	177.00	647.33
	IRBIDL	Project Manager	10,061.07	390.29
2	**Retention money payable**		**342.24**	**-**
	IRBIDL	Project Manager	342.24	-

During the year ended March 31, 2023, pursuant to the Share Purchase Agreement dated October 13, 2022, the Fund has acquired VK1 Expressway Limited from IRBIDL.

Summary of valuation report dated August 5, 2022 issued by the independent valuer under the SEBI (InvIT) Regulations is as follows :-

Fair Enterprise value and equity value of VK1 Expressway Limited as on July 31, 2022 is as under :-

(₹ in Lakhs)

Name of the SPV	Fair enterprise value	Equity value (including shareholder loan)
VK1 Expressway Limited ('VK1')	132,540.00	37,670.00

After considering the aforesaid Valuation Report submitted by the relevant independent valuer and pursuant to the negotiations between the Investment Manager and the Sponsor, VK1 was acquired from the Sponsor. The aggregate purchase consideration agreed upon of ₹ 34,200 lakhs was utilised for acquisition of 100% of the equity share capital of VK1 and for payment of the shareholder loan provided to VK1 by the Sponsor. This aggregate consideration is at ~ 9% discount to the Equity Value (i.e., the value of the equity and the shareholder loan of the project).

The project was acquired through external borrowings of ₹ 18,800 lakhs and balance out of internal accruals.

The following approach and assumptions have been considered for the valuation exercise:-

a. The Free Cash Flows to Firm under the Discounted Cash Flow Method has been used for the purpose of valuation of the above SPV.

b. The Weighted Average Cost of Capital for the above SPV has been considered as the discount rate for the above SPV for the purpose of valuation.

The Fund has not acquired any asset from related party during the previous year ended March 31, 2022.

Note 44 : Gratuity and other Post Employment benefit Plans

(a) Defined Contribution Plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contribution in defined plan	100.77	154.86

Consolidated Financial Statements
for the year ended March 31, 2023

(b) Defined Benefit Plan

The Group has a funded defined benefit gratuity plan with LIC. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	12.02	23.88
Past service cost	4.19	-
Interest cost on benefit obligation	8.38	14.43
(Gain) / losses on settlement	-	-
Net benefit expense recognised in statement of profit and loss (A) (before tax)	**24.59**	**38.31**
Amount recorded in Other comprehensive income (OCI)		
Remeasurement during the year due to :		
Actuarial loss / (gain) arising from change in financial assumptions	(7.81)	17.21
Actuarial loss / (gain) arising from change in Demographic Assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	37.42	(27.22)
Return on plan assets	(0.21)	-
Amount recognised in OCI during the year (B) (before tax)	**29.39**	**(10.01)**
Total charge recognised during the year in statement of profit and loss and OCI (A+B)	**53.99**	**28.30**
Actual return on plan assets		
Interest Income Plan Asset	-	-
Actuarial Gains/(Losses) on Plan Assets	0.21	-
Actual Return on Plan Assets	**0.21**	**-**
Reconciliation of net liability / asset		
Opening defined benefit liability / (assets)	260.48	238.40
On transfer of employees	(135.93)	-
Expense charged to profit & loss account	24.59	38.31
Amount recognised in outside profit and loss statement	29.61	(10.01)
Actual Benefits paid	(5.33)	(6.22)
Closing net defined benefit liability / (asset)	**173.42**	**260.48**
Change in Fair Value of Plan Assets during the Period:		
Fair value of Plan Assets, Beginning of Period	-	-
Actual Enterprise's Contributions*	144.69	-
Actual Benefits Paid*	(5.33)	-
Actuarial Gains/(Losses)	0.21	-
Fair Value of Plan Assets, End of Period	**139.57**	**-**
Balance sheet		
Benefit liability / (asset)		
Defined benefit obligation	173.42	260.48
Fair value of plan assets	139.57	-
Present value of unfunded obligations	**33.85**	**260.48**

Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	260.48	238.40
Current service cost	12.02	23.88
Past service cost	4.19	-
On transfer of employees	(135.93)	-
Interest on defined benefit obligation	8.38	14.43
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	(7.81)	17.21
Actuarial loss / (gain) arising from change in Demographic Assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	37.42	(27.22)
Benefits paid	(5.33)	(6.22)
Closing defined benefit obligation	**173.42**	**260.48**
Net liability is bifurcated as follows :		
Current	-	20.80
Non-current	33.85	239.68
Net liability	**33.85**	**260.48**
Category of Assets		
Other (including assets under Schemes of Ins.)	100.00%	0.00%
Total	**100.00%**	**0.00%**

The principal assumptions used in determining gratuity benefit obligation for the Group's plans are shown below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.45%	6.95% - 7.05%
Expected rate of return on plan assets (p.a.)	7.45%	N.A.
Salary escalation	10.00%	10.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

A quantitative analysis for significant assumption is as shown below:
Indian gratuity plan:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Assumptions -Discount rate		
Sensitivity Level	0.50%	0.50%
Impact of Increase in 50 bps on defined benefit obligation	165.57	248.00
Impact of Decrease in 50 bps on defined benefit obligation	181.91	271.86
Assumptions - Salary Escalation rate		
Sensitivity Level	0.50%	0.50%
Impact on defined benefit obligation		
Impact of Increase in 50 bps on defined benefit obligation	181.67	272.16
Impact of Decrease in 50 bps on defined benefit obligation	165.72	249.16

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Consolidated Financial Statements

for the year ended March 31, 2023

The following payments are expected contributions to the defined benefit plan in future years

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Within the next 12 months (next annual reporting period)	13.21	20.79
Between 2 and 5 years	52.21	75.15
Between 6 and 10 years	75.64	94.38
Total expected payments	**141.07**	**190.32**
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	9.29 year to 10.39 years	9.27 - 10.36 years

Note 45 : Disclosure pursuant to Appendix - A to Ind AS 11 - Service Concession Arrangements ('SCA')

(A) Disclosures with regard to Toll Collection Rights (Intangible Assets)

Name of Concessionaire	Start of concession period under concession agreement (Appointed date)	Location	Type of Concession	Length (in lane kms)	End of concession period under concession agreement	End of concession period as per Valuation report	Period of concession since the appointed date
IRB Pathankot Amritsar Toll Road Limited	December 30, 2010	Punjab	DBFOT	102.42 Kms	December 30, 2030	January 2, 2038	20 years
IRB Jaipur Deoli Tollway Limited	June 14, 2010	Rajasthan	DBFOT	146.30 Kms	June 13, 2035	October 21, 2040	25 years
M.V.R.Infrastructure And Tollways Limited	August 14, 2006	Tamilnadu	BOT	68.625 Kms	August 13, 2026	January 12, 2027	20 years
IRB Tumkur Chitradurga Tollway Limited	June 4, 2011	Karnataka	DBFOT	114 kms	June 3, 2037	December 29, 2042	26 years
IRB Talegaon Amravati Tollway Limited	September 30, 2010	Maharashtra	BOT	66.725 Kms	May 20, 2037	June 2, 2037	22 years

Note:

(1) The above BOT/ DBFOT projects shall have following rights/ obligations in accordance with the Concession Agreement entered into with the Respective Government Authorities:-

a. Rights to use the Specified assets

b. Obligations to provide or rights to expect provision of services

c. Obligations to deliver or rights to receive at the end of the Concession.

Consolidated Financial Statements

for the year ended March 31, 2023

(2) The actual concession period may vary based on terms of the respective concession agreements.

(B) Disclosures with regard to Hybrid Annuity Project

Name of Concessionaire:	VK1 Expressway Private Limited
Description of the arrangement:	Eight lane 23.74 Km section of Expressway between Vadodara and Kim in Gujarat on a Hybrid Annuity Mode (HAM) basis
Significant terms of the arrangement:	
Period of concession:	15 years from COD
Start of concession period under concession agreement (Appointed date):	January 18, 2019
Remuneration:	Annuity, interest and O&M
Investment grant from concession grantor:	Yes
Investment return to grantor at end of concession:	Yes
Investment and renewal obligations:	No
Repricing dates:	Half yearly for O&M
Basis upon which re-pricing or re-negotiation is determined:	Inflation price index as defined in Concession Agreement
Financial assets :	
a) Current (₹ in lakhs)	₹ 16,903.31 lakhs
b) Non-current (₹ in lakhs)	₹ 117,637.37 lakhs

Note:

In HAM projects, revenue is received / receivable as under:

(i) 40% of the total bid project cost with adjustment relating to Price Index Multiple, shall be due and payable to the Group in 5-10 equal instalments during the construction period in accordance with the provisions of the SCA.

(ii) The remaining bid project cost, with adjustment relating to Price Index Multiple, shall be due and payable in 30 bi-annual installments commencing from the 180th day of COD in accordance with the provision of the SCA.

(iii) Interest shall be due and receivable on the reducing balance of Completion Cost at an interest rate equal to the applicable Bank Rate plus 3%. Such interest shall be due and receivable bi-annually along with each installment specified in of SCA.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 46 : Distribution made		
Distributed during the year as :		
Interest	31,347.00	30,766.50
Return on capital	18,866.25	20,898.00
Total	**50,213.25**	**51,664.50**

Note 47 : Income Tax

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax:		
Current income tax charge	473.35	75.27
Deferred tax:		
MAT Credit entitlement/ reversal	(37.51)	3,257.84
Income tax expense reported in the statement of profit or loss	**435.84**	**3,333.11**

Consolidated Financial Statements
for the year ended March 31, 2023

Reconciliation of tax expenses and the accounting of profit multiplied by Indian domestic tax rate for March 31, 2023 and March 31, 2022 are:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) before tax	37,393.86	33,599.10
Tax rate	25.47%	25.47%
Expected income tax at India's statutory rate	(9,524.22)	(8,557.69)
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	9,524.22	8,557.69
MAT liability on book profit	473.35	75.27
Deferred tax (MAT credit reversal)	(37.51)	3,257.84
Income tax expense reported in the statement of profit and loss	**435.84**	**3,333.11**

Note 48
The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 49
The Group has presented these financial information (for all the periods presented there in) in accordance with the requirement of Schedule III - of the Companies Act, 2013 including amendments thereto, effective from April 1, 2021.

Note 50 : Previous year comparatives
Previous year’s figures have been regrouped/reclassified, wherever necessary, to confirm to current year’s classification.

Note 51 : Subsequent events
The Board of Directors of the Investment Manager have approved 4th Distribution of ₹ 2.00 per unit which comprises of ₹ 1.70 per unit as interest and Re. 0.30 per unit as return of capital in their meeting held on May 8, 2023.

Signature to Note 1 to 51

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm’s Reg no. 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date : May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place : Mumbai
Date : May 08, 2023

Independent Auditors' Report

To,

The Unit holders of IRB InvIT Fund

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **IRB InvIT Fund ("the Fund")**, which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including the Other Comprehensive Income, the Statement of Changes in Unit Holders' Equity and the Statement of Cash Flows for the year then ended and the Statement of Net Assets at fair value as at March 31, 2023 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Fund as at March 31, 2023, its profit and total comprehensive income, movement of the unit holders' funds and its cash flows for the year ended March 31, 2023, its net assets at fair value as at March 31, 2023, its total returns at fair value and the net distributable cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	**Assessing Impairment of investments and loans in subsidiary companies (note 3.09, 4.1, 4.2 and 5.4)** As at March 31, 2023, the carrying values of Fund's investment in subsidiaries amounted to ₹ 232,840.02 Lakhs. Further, the Fund has granted loans to its subsidiaries amounting to ₹ 425,255.80 Lakhs (₹ 393,860.16 Lakhs). Management reviews regularly whether there are any indicators of impairment of such investments/ loans by reference to the requirements under Ind AS. Management performs its impairment assessment by comparing the carrying value of these investments/ loans made to their recoverable amount to determine whether impairment needs to be recognized.	Our audit procedures included the following: • Assessed the appropriateness of the Fund's valuation methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process; • Assessed the assumptions around the key drivers of the cash flow forecasts, discount rates, revenue projection based on the independent expert's traffic study reports, etc. by management and independent valuer, including considerations due to current economic and market conditions including effects of COVID-19 pandemic;

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td></td><td>For impairment testing, value in use has been determined by forecasting and discounting future cash flows of subsidiary companies. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projections for revenues and discounting rates. The determination of the recoverable amount from subsidiary companies involves significant judgment and accordingly, the evaluation of impairment of investments/ loans in subsidiary companies has been determined as a key audit matter.</td><td>• Assessed the appropriateness of the weighted average cost of capital used in the determining recoverable amount by engaging valuation expert;

• Discussed/Evaluated potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable, including considerations due to current economic and market conditions including effects of COVID- 19 pandemic.

• Assessed the recoverable value headroom by performing sensitivity analysis of key assumptions used.

• Tested the arithmetical accuracy of the model.

• As regards loans granted to subsidiary companies, we have obtained and considered management evaluations of recoverability of loans granted to its subsidiary companies.</td></tr>
<tr><td>2</td><td>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value
(as described in note 36 and in Statement of Net assets at fair value and Statement of total returns at fair value of the standalone financial statements)

As per the provisions of InvIT Regulations, the Fund is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.

Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the standalone financial statements.</td><td>Our audit procedures include the following-

• Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

• Assessed the appropriateness of independent valuer's and management's valuation methodology applied in determining the fair values.

• Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation.

• We involved valuation specialists to:
a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data.

b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer, including considerations due to current economic and market conditions including effects of COVID-19 pandemic.</td></tr>
</table>

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
		c) Discuss changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable, including considerations due to current economic and market conditions including effects of COVID-19 pandemic. • Tested the arithmetical accuracy of computation in the Statement of Net Assets and Total Returns at Fair Value • Reviewed and verified the disclosures in the standalone financial statements for compliance with the relevant requirements of InvIT Regulations.
3	**Related party transactions and disclosures** (as described in note 22 of the standalone financial statements) The Fund has undertaken transactions with its related parties in the normal course of business. These include making new loans to SPVs, interest on such loans, fees for services provided by related parties to Fund etc. as disclosed in Note 22 of the standalone financial statements. We identified the accuracy and completeness of related party transactions and its disclosure as set out in respective notes to the standalone financial statements as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2023 and regulatory compliance thereon.	Our audit procedures, included the following: • Obtained, read and assessed the Fund's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length, obtaining necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with InvIT regulations. • We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents for appropriate authorization and approval for such transactions. • We read minutes of Unit holders meeting, Board and its relevant committee meetings and minutes of meetings of those charged with governance of the Manager in connection with transactions with related parties affected during the year and Fund's assessment of related party transactions being in the ordinary course of business at arm's length and in accordance with the InvIT regulations. • Assessed and tested the disclosures made in accordance with the requirements of Ind AS and InvIT regulations.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The management of IRB Infrastructure Private Limited ("Investment Manager") is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Investment Manager's Report including Annexures to Investment Manager's Report and Investment Manager's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Management of IRB Infrastructure Private Limited ('Investment Manager'), is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at March 31, 2023, financial performance including other comprehensive income, movement of the unit holders' funds and cash flows for the year ended March 31, 2023, its net assets at fair value as at March 31, 2023, its total returns at fair value and the net distributable cash flows of the Fund for the year ended March 31, 2023, in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions InvIT Regulations for safeguarding of the assets of the Fund and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Investment Manager is also responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by InvIT Regulations, we report that:

a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;

b) The balance sheet, and statement of profit and loss including other comprehensive income dealt with by this report are in agreement with the books of account of the Fund; and

c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

FOR SURESH SURANA & ASSOCIATES LLP
Chartered Accountants
Firm's Reg. No. 121750W/W-100010

Ramesh Gupta
Partner
Membership No. 102306
UDIN: 23102306BGWKSZ4487

Place: Mumbai
Dated: May 08, 2023

Standalone Balance Sheet

as at March 31, 2023

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I	ASSETS			
(1)	Non-current assets			
	Financial assets	4		
	i) Investments	4.1	232,840.02	220,017.92
	ii) Loans	4.2	391,492.76	367,930.05
	Total non-current assets		**624,332.78**	**587,947.97**
(2)	Current assets			
	Financial assets	5		
	i) Investments	5.1	15,313.92	21,510.85
	ii) Cash and cash equivalents	5.2	105.22	316.53
	iii) Bank balance other than (ii) above	5.3	516.86	48.28
	iv) Loans	5.4	34,036.27	26,236.27
	v) Other financial assets	5.5	18,688.59	30,744.56
	Current tax assets (net)	6	1.20	2.19
	Other current assets	7	0.28	0.27
	Total current assets		**68,662.34**	**78,858.95**
	TOTAL ASSETS		**692,995.12**	**666,806.92**
II	EQUITY AND LIABILITIES			
	Equity			
	Unit capital	8	491,393.35	510,259.60
	Other equity	9	23,300.20	14,532.86
	Total unit holder's equity		**514,693.55**	**524,792.46**
(1)	Non-current liabilities			
	Financial liabilities			
	Borrowings	10	172,514.52	135,834.03
	Total non- current liabilities		**172,514.52**	**135,834.03**
(2)	Current liabilities			
	Financial liabilities			
	i) Borrowings	11.1	5,519.00	5,425.00
	ii) Trade payables	11.2		
	a) total outstanding dues of micro enterprises and small enterprises		9.37	9.43
	b) total outstanding dues of creditors other than micro enterprises and small enterprises		189.95	662.36
	iii) Other financial liabilities	11.3	33.86	48.28
	Other liabilities	12	34.88	35.36
	Total current liabilities		**5,787.06**	**6,180.43**
	Total liabilities		**178,301.58**	**142,014.46**
	TOTAL EQUITY AND LIABILITIES		**692,995.12**	**666,806.92**
	Summary of significant accounting policies	3		

See accompanying notes to the standalone financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration Number: 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited (Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	13	51,522.43	54,455.82
Other income	14	6,180.20	312.22
TOTAL INCOME		**57,702.63**	**54,768.04**
Expenses			
Finance costs	15	11,624.44	11,103.00
Investment Manager fees		1,180.00	1,278.15
Annual listing fees		79.29	60.81
Trustee fees		29.50	29.50
Other expenses	16	152.56	76.47
Impairment of investment in subsidiaries (Refer note 25)		4,522.50	6,918.56
TOTAL EXPENSES		**17,588.29**	**19,466.49**
Profit before tax		**40,114.34**	**35,301.55**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
TOTAL TAX EXPENSES		**-**	**-**
Profit for the year (A)		**40,114.34**	**35,301.55**
Other comprehensive income / (loss) for the year (net of tax) (B)		**-**	**-**
Total comprehensive loss for the year, net of tax : (A+B)		**40,114.34**	**35,301.55**
Earning per unit (Amount in ₹)			
Basic		6.91	6.08
Diluted		6.91	6.08
Summary of significant accounting policies	3		

See accompanying notes to the standalone financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration Number: 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited (Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(₹ in Lakhs)

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A.	**Cash flow from operating activities**		
	Profit before tax	40,114.34	35,301.55
	Adjustments to reconcile profit before tax to net cash flows:		
	Finance costs	11,439.14	11,103.00
	Impairment of investment in subsidaries	4,522.50	6,918.56
	Change in Fair value on investments	(272.78)	(199.51)
	Day one gain on fair valuation of loan from subsidiaries	(5,384.57)	-
	Interest unwinding on loan	185.30	-
	Profit on sale of investments	(510.37)	(112.28)
	Interest income on Fixed deposits	(12.33)	-
	Transaction costs on loan given	32.93	29.90
	Operating profit/(loss) before working capital changes	**50,114.16**	**53,041.22**
	Movement in working capital:		
	Decrease/(increase) in others financial assets	12,056.28	(13,171.08)
	Decrease/(increase) in other assets	-	0.01
	Increase/(decrease) in trade payables	(472.47)	509.00
	Increase/(decrease) in other financial liabilities	(14.42)	4.23
	Increase/(decrease) in other current liabilities	(0.51)	24.43
	Cash generated from/(used in) operations	**61,683.04**	**40,407.81**
	Direct taxes paid (net of refunds)	0.99	5.13
	Net cash flows from/(used in) operating activities	**61,684.03**	**40,412.94**
B.	**Cash flows from investing activities**		
	Purchase of units of mutual funds	(92,233.95)	(53,706.77)
	Proceeds on sales of units of mutual funds	99,214.02	47,213.70
	Investment in subsidiary	(17,344.60)	-
	Long term loan given to subsidiaries	(45,947.80)	-
	Short term loan given to subsidiaries	(10,915.91)	(46,063.00)
	Repayment of long term loan given to subsidiaries	19,236.38	31,022.75
	Repayment of short loan given to subsidiaries	6,231.70	45,942.00
	Bank earmarked balance	(468.58)	(4.23)
	Interest received on fixed deposits	12.03	-
	Net cash flows from/(used in) investing activities	**(42,216.71)**	**24,404.45**
C.	**Cash flow from financing activities**		
	Repayment of unit capital to the unit holders	(18,866.25)	(20,898.00)
	Distribution to unit holders	(31,347.00)	(30,766.50)
	Proceeds from long term borrowings	18,800.00	-
	Repayment of long term borrowings	(5,425.00)	(5,425.00)
	Loan taken from subsidiary companies	28,692.00	-
	Finance cost paid	(11,532.38)	(10,949.76)
	Net cash flows from/(used in) financing activities	**(19,678.63)**	**(68,039.26)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(211.31)**	**(3,221.87)**
	Cash and cash equivalents at the beginning of the year	316.53	3,538.39
	Cash and cash equivalents at the end of the year (refer 5.2)	**105.22**	**316.53**
	Summary of significant accounting policies (Refer note no. 3)		

See accompanying notes to the standalone financial statements.

Notes:

1. All figures in bracket are outflow.
2. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. Reconciliation between opening and closing balances for liabilities arising from financing activities.

Standalone Statement of Cash Flows (contd.)

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Long term borrowings
April 01, 2021	**146,530.79**
Cash flow	
- Interest	(10,949.76)
- Net of proceeds and repayment of long term borrowings	(5,425.00)
Accrual for the year	11,103.00
March 31, 2022	**141,259.03**
Cash flow	
- Interest	(11,532.38)
- Net of proceeds and repayment of long term borrowings	42,067.01
Accrual for the year	11,439.14
Non cash movement	
- Day one gain on fair valuation of loan from subsidiaries netoff interest unwinding on loan	(5,199.28)
March 31, 2023	**178,033.52**

4. Statement of Cash flows has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows" as notified under section 133 of the Companies Act, 2013.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration Number: 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Standalone Statement of changes in unit holders equity

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
a.	Unit Capital		
	At the beginning of the year	510,259.50	531,157.50
	Issued during the year	-	-
	Less: Capital reduction during the year (Refer Note 28)*	(18,866.25)	(20,898.00)
	At the end of the year	**491,393.25**	**510,259.50**
	Number of units		
	At the beginning of the year	580,500,000	580,500,000
	Issued during the year	-	-
	At the end of the year	**580,500,000**	**580,500,000**

(₹ in Lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
b.	Initial settlement amount		
	At the beginning of the year	0.10	0.10
	Received during the year	-	-
	At the end of the year	**0.10**	**0.10**

(₹ in Lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
c.	Other Equity		
	At the beginning of the year	14,532.86	9,997.81
	Profit / (loss) for the year	40,114.34	35,301.55
	Interest distribution (Refer Note 28) *	(31,347.00)	(30,766.50)
	At the end of the year	**23,300.20**	**14,532.86**

*Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2021-22 and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after March 31, 2023.

Summary of significant accounting policies (refer note no.3)

See accompanying notes to the standalone financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration Number: 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited (Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Disclosures Pursuant to SEBI Circulars

(SEBI Circular No CIR/MD/DF/114/2016 dated October 20, 2016 and No CIR/MD/DF/127/2016 dated November 29, 2016 issued under the InvIT Regulations)

A. Statement of Net Asset at Fair Value

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Book value	Fair value	Book value	Fair value
A. Assets	692,995.12	761,065.53	666,806.92	728,805.34
B. Liabilities (at book value)	178,301.58	178,301.58	142,014.46	142,014.46
C. Net Assets (A-B)	514,693.55	582,763.95	524,792.46	586,790.88
D. Number of units (in Lakhs)	5,805.00	5,805.00	5,805.00	5,805.00
E. NAV (C/D) (Amount in ₹)	**88.66**	**100.39**	**90.40**	**101.08**

B. Statement of Total Returns at Fair Value

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Comprehensive Income (As per the Statement of Profit and Loss)	40,114.34	35,301.55
Add/(less): Other Changes in Fair Value	68,070.40	61,998.42
Total Return	**108,184.74**	**97,299.97**

Notes:

Fair value of assets as at March 31, 2023 and other changes in fair value for the year then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under Regulation 21 of the InvIT Regulations.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration Number: 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

Standalone Statement of Net Distributable Cash Flows (NDCFs)

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Cash flows received from Project SPVs in the form of Interest **(Refer note 1 & 2)**	47,983.32	41,284.74
2	Cash flows received from Project SPVs in the form of Dividend	-	-
3	Any other income accruing at the Trust level and not captured above, including but not limited to interest/return on surplus cash invested by the Trust	795.63	312.22
4	Cash flows received from the project SPVs towards the repayment of the debt issued to the Project SPVs by the Trust **(Refer note 3)**	18,893.37	31,022.75
5	**Total cash inflow at the Trust level (A)**	**67,672.32**	**72,619.71**
	Less:		
6	Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager	(12,880.49)	(12,547.93)
7	Income tax (if applicable) at the Standalone Trust Level	-	-
8	Repayment of external debt	(5,425.00)	(5,425.00)
9	**Total cash outflows / retention at the Trust level (B)**	**(18,305.49)**	**(17,972.93)**
10	**Net Distributable Cash Flows (C) = (A+B)**	**49,366.83**	**54,646.78**

Note:

1) The embargo on the Escrow bank account for ITCTL was uplifted as per the Interim order of the Hon'ble Arbitral Tribunal. However, the withdrawals pertaining to past periods towards debt servicing of ₹ 11,193.00 lakhs (net of ₹ 4,402.39 lakhs considered in earlier period) has not been considered in the above Net Distributable Cash Flow. The said accruals are utilised towards acquisition of VK1 project.

2) Excludes interest due but not received of ₹ 3,539.11 lakhs (Previous year ₹ 13,171.08 lakhs) for the year ended March 31, 2023.

3) Netted – off with long-term unsecured loan given to project SPV's. (Refer note 22)

4) During the year, an amount of ₹ 50,213.25 lakhs (Previous year ₹ 51,664.50 lakhs) has already been distributed to unit holders. (Refer note 28)

Standalone Notes to Financial Statements

for the year ended March 31, 2023

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

1 Nature of Operations

The IRB InvIT Fund (the "Fund" / "Trust") is a trust constituted by "The Indenture of Trust" dated October 16, 2015 registered under the Registration Act, 1908 and under the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014. The Fund is settled by the Sponsor, IRB Infrastructure Developers Limited ("IRB" or the "Sponsor"), an infrastructure development company in India. The Trustee to the Fund is IDBI Trusteeship Services Limited (the "Trustee") and Investment manager for the Fund is IRB Infrastructure Private Limited (the "Investment Manager").

The Fund has been formed to invest in infrastructure assets primarily being in the road sector in India. All of the Fund's road projects are implemented and held through special purpose vehicles ("Project SPVs").

Sr. No.	Project SPV Name
1	IRB Surat Dahisar Tollway Limited (ISDTL)
2	IRB Jaipur Deoli Tollway Limited (IJDTL)
3	IDAA Infrastructure Limited (IDAAIL)
4	IRB Pathankot Toll Road Limited (IPATRL)
5	IRB Talegaon Amravati Tollway Limited (ITATL)
6	IRB Tumkur Chitradurga Tollway Limited (ITCTL)
7	M.V.R Infrastructure and Tollways Limited (MITL)
8	VK1 Expressway Limited (formely known as VK1 Expressway Private Limited) (VK1) * #

* Acquired vide Share Purchase agreement dated October 13, 2022

The company has been converted from private limited to public limited company w.e.f. April 27, 2023.

The registered office of the Investment Manager is IRB Complex, Chandivali Farm, Chandivali village, Andheri-East, Mumbai-400072.

The financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment manager on May 08, 2023.

2 Basis of preparation

The financial statements of IRB InvIT Fund have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations") and other accounting principles generally accepted in India.

The financial statements have been prepared on an accrual basis and under the historical cost convention except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The financial statements are presented in Indian Rupee ('INR') which is the functional currency of the Fund and all values are rounded to the nearest lakhs, except when otherwise indicated. Wherever the amount represented '0' (zero) construes value less than Rupees five hundred.

3 Summary of significant accounting policies

3.01 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3.02 Current versus non-current classification

The Fund presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:-

- It is expected to be settled in normal operating cycle

Standalone Notes to Financial Statements

for the year ended March 31, 2023

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Fund has identified twelve months as its operating cycle.

3.03 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, excluding the estimates of variable consideration that is allocated to that performance obligation, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised:

Interest income :

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rates applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

Dividends :

Revenue is recognised when the Fund's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.04 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Fund operates and generates taxable income. Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments In subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse In the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:-

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will

Standalone Notes to Financial Statements

for the year ended March 31, 2023

be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service tax paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

3.05 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.06 Provisions

Provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Fund expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.07 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Fund or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Fund does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

3.08 Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair

Standalone Notes to Financial Statements

for the year ended March 31, 2023

value through Statement of Profit and Loss, directly attributable transaction cost to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories;

- at amortised cost
- at fair value through profit or loss (FVTPL)
- at fair value through other comprehensive income (FVTOCI)

Financial Assets at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Fund. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial Assets at Fair Value through Statement of Profit and Loss / Other comprehensive income

All investments in scope of Ind AS 109 are measured at fair value. The Fund has investment in Debt oriented mutual fund which are held for trading, are classified as at FVTPL. The Fund makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The gain / loss on sale of investments are recognised in the Statement of Profit and Loss. Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a the Fund of similar financial assets) is primarily derecognised (i.e. removed from the Fund's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of the Fund's continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

3.09 Impairment of assets

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Fund recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial assets increases significantly since its initial recognition.

The impairment losses and reversals are recognized in Statement of Profit and Loss.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

Impairment of non-financial assets

The Fund assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Fund estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or Fund's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Fund's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Fund that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

This is the category most relevant to the Fund. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.10 Investment in subsidiaries

Investments (equity instruments as well as subordinate debt) in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

3.11 Foreign currencies

The Fund's financial statements are presented in INR, which is also the Fund's functional currency. The Fund does not have any foreign operation and has assessed the functional currency to be INR.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Fund at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.12 Fair value measurement

The Fund measures financial instruments, such as, derivatives at fair value at each balance sheet date

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Fund's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Fund's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an annual basis, the Management of Investment Manager presents the valuation results to the Audit Committee and the Fund's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Fund has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 36)
- Financial instruments (including those carried at amortised cost) (note 23 and 24)
- Quantitative disclosure of fair value measurement hierarchy (note 23 and 24)

Standalone Notes to Financial Statements

for the year ended March 31, 2023

3.13 Contributed Equity

Units are classified as equity. Incremental costs attributable to the issue of units are directly recorded in equity, net of tax.

3.14 Distribution to unit holders

The Fund recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

3.15 Cash and cash equivalents

"Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Fund's cash management.

3.16 Earnings Per Unit (EPU)

Basic earnings per unit are calculated by dividing the net profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

For the purpose of calculating diluted earnings per unit, the weighted average number of units outstanding during the year are adjusted for the effects of all dilutive potential units.

3.17 New pronouncements issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Fund has evaluated the amendment and the impact of the amendment is insignificant in the Fund's financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Fund has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Fund has evaluated the amendment and there is no impact on its financial statement.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 4 : Financial Assets (Non-current)		
4.1 Investments		
A) Investments at cost		
Investments in equity instruments of subsidiaries (unquoted)		
510,842,000 (March 31,2022 - 510,842,000) equity shares of IRB Surat Dahisar Tollway Limited	53,232.48	53,232.48
131,750,000 (March 31, 2022 - 131,750,000) equity shares of IRB Jaipur Deoli Tollway Limited (1)	13,175.00	13,175.00
198,120,003 (March 31, 2022 - 198,120,003) equity shares of IDAA Infrastructure Limited	19,812.00	19,812.00
98,600,000 (March 31, 2022 - 98,600,000) equity shares of IRB Pathankot Amritsar Toll Road Limited (2)	9,909.00	9,909.00
49,250,000 (March 31, 2022 - 49,250,000) equity shares IRB Talegaon Amravati Tollway Limited	4,925.00	4,925.00
155,500,002 (March 31, 2022 - 155,500,002) equity shares IRB Tumkur Chitradurga Tollway Limited	15,550.00	15,550.00
6,910,170 (March 31, 2022 - 6,910,170) equity shares M.V.R. Infrastructure & Tollways Limited	10,902.00	10,902.00
12,25,00,000 (March 31, 2022 - Nil) equity shares VK1 Expressway Limited (3)	17,344.60	-
Less : Provision for impairment loss	(11,441.06)	(6,918.56)
Investments in subsidiaries (unquoted)	**133,409.02**	**120,586.92**
B) Investments at cost		
Investments in sub debt of subsidiaries (unquoted) interest free		
IRB Jaipur Deoli Tollway Limited	39,525.00	39,525.00
IRB Pathankot Amritsar Toll Road Limited	29,581.00	29,581.00
IRB Talegaon Amravati Tollway Limited	14,775.00	14,775.00
IRB Tumkur Chitradurga Tollway Limited	15,550.00	15,550.00
Subordinated debt to related parties	**99,431.00**	**99,431.00**
Total non-current investments (A + B)	**232,840.02**	**220,017.92**
(1) 67,192,500 equity shares have been pledged with banks for availing term loan.		
(2) 50,286,000 equity shares have been pledged with banks for availing term loan.		
(3) 62,475,000 equity shares have been pledged with banks for availing term loan for subsidiary company, VK1 Expressway Limited		
Aggregate amount of unquoted investments	**244,281.08**	**226,936.48**
Aggregate provision for impairment	**11,441.06**	**6,918.56**
4.2 Loans		
(Secured, considered good, unless otherwise stated)		
Loans to related parties (Refer note 22)		
- Interest bearing	316,415.51	326,436.88
Less: Current maturities of loan to related parties	(13,137.16)	(10,021.37)
Total - (A)	**303,278.35**	**316,415.51**
(Unsecured, considered good, unless otherwise stated)		
Loans to related parties (Refer note 22)		
- Interest bearing	87,941.18	51,208.38
Total - (B)	**87,941.18**	**51,208.38**
Add : Unamortised transaction cost (C)	273.23	306.16
Total (A+B+C)	**391,492.76**	**367,930.05**

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 5 : Financial Assets (current)		
5.1 Investments		
Investments at fair value through Profit & Loss		
Investments in mutual fund (quoted)		
Aditya Birla Sun Life Liquid Fund March 31, 2023 - Nil (March 31, 2022 - 4,539,703.543 Units @ ₹ 343.1252)	-	15,576.86
L&T Liquid Fund March 31, 2023 - Nil (March 31, 2022 - 27,449.668 Units @ ₹ 2,914.9581)	-	800.15
SBI Overnight Direct Growth Fund March 31, 2023 - 268,294.368 Units @ ₹ 3,649.2457 (March 31, 2022 - Nil)	9,790.72	-
Aditya Birla Sun Life Saving Fund * March 31, 2023 - 24,339.564 Units @ ₹ 470.2589 (March 31, 2022 - Nil)	114.46	-
SBI Magnum Low Duration Fund Direct Fund * March 31, 2023 - 176,462.900 units @ ₹ 3,065.0878 (March 31, 2022 - 176,462.900 units @ ₹ 2,909.3029)	5,408.74	5,133.84
*[(Mutual fund held for DSRA ₹ 5,523.20 lakhs (March 31 , 2022: ₹ 5,133.84 lakhs)]		
Total	**15,313.92**	**21,510.85**
Aggregate book value of quoted investments	**15,313.92**	**21,510.85**
Aggregate market value of quoted investments	**15,313.92**	**21,510.85**
5.2 Cash and cash equivalents		
Cash on hand	0.06	0.09
Balances with banks:		
- In current accounts	0.85	2.48
- In escrow account *	104.31	313.96
Total	**105.22**	**316.53**
* Escrow account as hypothecated against secured loan		
5.3 Other bank balances		
Debt service reserve account with banks /earmarked balance		
- Maturity more than 3 months but less than 12 month	483.00	-
Balances with Banks in :		
Unpaid distribution accounts	33.86	48.28
Total	**516.86**	**48.28**
5.4 Loans		
(Secured, considered good, unless otherwise stated)		
Current maturities of long term loans to related parties	13,137.16	10,021.37
(Unsecured, considered good, unless otherwise stated)		
Loans to related parties (Refer note 22)	20,899.11	16,214.90
Total	**34,036.27**	**26,236.27**

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
5.5 Other financial assets		
(Unsecured, considered good, unless otherwise stated)		
Interest accrued on fixed deposits	0.31	-
Interest receivable from related parties	18,688.28	30,744.56
Total	**18,688.59**	**30,744.56**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 6 : Current Tax Assets (net)		
Advance income tax (net of provision for tax ₹ Nil (March 31, 2022: ₹ Nil))	1.20	2.19
Total	**1.20**	**2.19**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 7 : Other Current Assets		
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	0.28	0.27
Total	**0.28**	**0.27**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 8 : Equity		
I. Unit capital		
a. Issued, subscribed and fully paid up unit capital		
580,500,000 (March 31, 2022 - 580,500,000)	491,393.25	510,259.50
b. Initial settlement amount	0.10	0.10
At the end of the year	**491,393.35**	**510,259.60**

c. **Terms / rights attached to units**

Rights of unit holders

Subject to the provisions of the InvIT Regulations, the Indenture of Fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

a) right to receive income or distributions with respect to the units held;

b) right to attend the annual general meeting and other meetings of the unit holders of the Fund;

c) right to vote upon any matters / resolutions proposed in relation to the Fund;

d) right to receive periodic information having a bearing on the operations or performance of the Fund in accordance with the InvIT Regulations; and

e) right to apply to the Fund to take up certain issues at meetings for unit holders approval.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

In accordance with the InvIT Regulations, no unit holders shall enjoy superior voting or any other rights over any other unit holders, and there shall not be multiple classes of units. There shall be only one denomination of units. Notwithstanding the above, subordinate units may be issued only to the Sponsor and its Associates, where such subordinate units shall carry only inferior voting or any other rights compared to the other units.

Limitation to the Liability of the unit holders

The liability of each unit holders towards the payment of any amount (that may arise in relation to the Fund including any taxes, duties, fines, levies, liabilities, costs or expenses) shall be limited only to the extent of the capital contribution of such unit holders and after such capital contribution shall have been paid in full by the unit holders, the unit holders shall not be obligated to make any further payments. The unit holders(s) shall not have any personal liability or obligation with respect to the Fund.

II. Reconciliation of the number of units outstanding and the amount of unit capital:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units in Lakhs	Amount ₹ in Lakhs	No. of units in Lakhs	Amount ₹ in Lakhs
At the beginning of the year	5,805.00	510,259.50	5,805.00	531,157.50
Issued during the year	-	-	-	-
Less: Capital reduction during the year (Refer note 28)	-	18,866.25	-	20,898.00
At the end of the year	**5,805.00**	**491,393.25**	**5,805.00**	**510,259.50**

Details of Sponsor units :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units in Lakhs	Amount ₹ in Lakhs	No. of units in Lakhs	Amount ₹ in Lakhs
IRB Infrastructure Developers Limited	927.05	15.97%	927.05	15.97%

Details of unit holding more than 5% units :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units in Lakhs	% holding	No. of units in lakhs	% holding
IRB Infrastructure Developers Limited	927.05	15.97%	927.05	15.97%
Government Of Singapore	439.78	7.58%	452.45	7.79%
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Hybrid '95 Fund	371.00	6.40%	371.00	6.40%

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note : 9 Other Equity		
Retained earnings		
At the beginning of the year	14,532.86	9,997.81
Profit / (loss) for the year	40,114.34	35,301.55
Interest distribution (Refer Note 28)	(31,347.00)	(30,766.50)
Total Other Equity	**23,300.20**	**14,532.86**

Retained earnings

Retained earnings are the profits that the Fund has earned till date, less any transfers to general reserve, dividends or other distributions paid to unit holders.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 10 : Non-current Financial Liabilities		
Borrowings		
Secured		
Term loans		
Indian rupee loan from banks	136,780.45	142,205.45
Less: Current maturities	(5,425.00)	(5,425.00)
	131,355.45	**136,780.45**
Indian rupee loan from financial institutions	18,800.00	-
Less: Current maturities	(94.00)	-
	18,706.00	**-**
Less : Unamortised transaction cost (Secured borrowings)	1,039.65	946.42
Unsecured		
Loans to related parties (Refer note 22)		
- interest free	23,492.72	-
Total	**172,514.52**	**135,834.03**

Secured Term Loans

i) Secured by pari passu on escrow account and on receivable of fund arising out of principal and interest payment of the loans by Fund to subsidiaries.

ii) Pledge of shares held of 51% of share holding in the total paid-up equity share capital of IRB Jaipur Deoli Tollway Limited and IRB Pathankot Amritsar Toll Road Limited.

iii) Interest rates on Indian rupee loan ranges from 7.25 % to 8.90% (Previous year interest rates ranges from 7.25% to 8.15%). The Indian rupee loan from banks & financial institutions is repayable in unstructured quarterly instalment as per the repayment schedule specified in loan agreement with the Lenders.

iv) There have been no breaches in the financial covenants with respect to borrowings.

Unsecured loans from related parties

The unsecured interest free loans taken from related parties is repayable in next two / three years from Balance Sheet date.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 11 : Current Financial Liabilities		
11.1 Borrowing		
Secured loan		
Current maturities of long-term borrowings		
- Indian rupee loan from banks	5,425.00	5,425.00
- Indian rupee loan from financial institutions	94.00	-
Total	**5,519.00**	**5,425.00**
11.2 Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises (Refer note 20)	9.37	9.43
b) Total outstanding dues of creditors other than micro and small enterprises	189.95	662.36
Total	**199.32**	**671.79**

Standalone Notes to Financial Statements
for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
11.3 Other financial liabilities		
Unpaid distribution	33.86	48.28
Total	**33.86**	**48.28**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 12 : Other Current Liabilities		
Statutory dues payable	34.88	35.36
Total	**34.88**	**35.36**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 13 : Revenue from Operations		
Operating income		
Interest income	51,522.43	54,455.82
Total	**51,522.43**	**54,455.82**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 14 : Other Income		
Interest income on		
Interest income on bank deposits	12.33	-
Interest income on income tax refund	0.15	0.43
Profit on sale of investments	510.37	112.28
Day one gain on fair valuation of loan from subsidiaries (Refer note 30)	5,384.57	-
Change in fair value on investments	272.78	199.51
Total	**6,180.20**	**312.22**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 15 : Finance Costs		
Interest expense		
- Term loan from bank / financial institutions	11,332.33	10,840.71
Other borrowing cost		
Interest unwinding on loan	185.30	-
Other finance costs (including Unamortised transaction cost)	106.81	262.29
Total	**11,624.44**	**11,103.00**

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 16 : Other Expenses		
Legal and professional fees	134.38	54.20
Payment to auditor (refer note below)	15.22	15.49
Miscellaneous expenses	2.96	6.78
Total	**152.56**	**76.47**
Payment to auditor (including GST)		
As auditors:		
- Statutory audit fees	8.50	8.50
- Limited review fees	4.25	4.25
- Tax audit fees	1.42	1.42
In other capacity:		
- Other services (certification fees)	0.35	0.62
Reimbursement of expenses	0.70	0.70
Total	**15.22**	**15.49**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 17 : Earnings Per Unit (EPU)		
The following reflects the income and unit data used in the basic and diluted EPU computations:		
Profit attributable to unit holders of the Fund for basic & diluted earnings	40,114.34	35,301.55
Weighted average number of unit for basic & diluted EPU (in lakhs)	5,805.00	5,805.00
Basic earning per unit (Amount in ₹)	6.91	6.08
Diluted earning per unit (Amount in ₹)	6.91	6.08

Note 18 : Capital and other Commitments

There are no capital and other commitments as at March 31, 2023 (March 31, 2022 : ₹ NIL).

Note 19 : Contingent Liabilities

There are no contingent liabilities as at March 31, 2023 (March 31,2022 : ₹ NIL).

Note 20 : Trade Payables

a) **Details of dues to micro and small enterprises as per MSMED Act, 2006**

The following details regarding Micro and small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Fund.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to any supplier as at the period end	9.37	9.43
Interest due thereon	-	-
Amount of interest paid by the Trust in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Standalone Notes to Financial Statements

for the year ended March 31, 2023

MSME ageing schedule as at

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Undisputed Dues		
Unbilled amount	9.37	9.43
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total dues to micro and small enterprises as per MSMED Act, 2006	**9.37**	**9.43**

There are no disputed dues to micro and small enterprises as per MSMED Act, 2006.

b) Ageing of creditors other than micro enterprises and small enterprises as at

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Undisputed Dues		
Unbilled amount	12.95	15.03
Less than 1 year	177.00	647.33
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total dues to creditors other than micro and small enterprises as per MSMED Act, 2006	**189.95**	**662.36**

There are no disputed dues to creditors other than micro enterprises and small enterprises.

Note 21 : Operating segment

The Fund is engaged in to invest in infrastructure assets primarily being in the road sector in India which in the context of Ind AS 108 - Operating Segments is considered as the only segment. The Fund's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

Note 22 : Related party transaction

I. List of Related Parties

i. Subsidiaries / SPVs	IRB Surat Dahisar Tollway Limited (ISDTL)
	IRB Jaipur Deoli Tollway Limited (IJDTL)
	IDAA Infrastructure Limited (IDAAIL)
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)
	IRB Talegaon Amravati Tollway Limited (ITATL)
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)
	M.V.R. Infrastructure & Tollways Limited (MITL)
	VK1 Expressway Limited (VK1) (formerly known as VK1 Expressway Private Limited)
ii. Parties to the Fund *	IRB Infrastructure Developers Limited (IRBIDL) (Sponsor & Project Manager)
	IRB Infrastructure Private Limited (IRBFL) (Investment Manager)
	IDBI Trusteeship Services Limited (ITSL) (Trustee)

* As per InvIT regulations

Standalone Notes to Financial Statements

for the year ended March 31, 2023

iii. Promoters / Directors of the parties to the Fund specified in (ii) above

Particulars	IRB Infrastructure Developers Limited (Sponsor & Project Manager)	IRB Infrastructure Private Limited (Investment Manager)	IDBI Trusteeship Services Limited (Trustee of the IRB InvIT Fund)
Promoters	Mr. Virendra D. Mhaiskar	IRB Infrastructure Developers Limited	IDBI Bank Limited
	Mrs. Deepali V. Mhaiskar		Life Insurance Corporation of India
	Virendra D. Mhaiskar HUF		General Insurance Corporation of India
Directors	Mr. Virendra D. Mhaiskar	Mr. Vinod Kumar Menon	Mr. J.Samuel Joseph
	Mrs. Deepali V. Mhaiskar	Mr. Rajinder Pal Singh	Mrs. Jayshree Ranade (w.e.f. 20.09.2021)
	Mr. Chandrashekhar S. Kaptan	Mr. Sunil Tandon	Mr. Pradeep Kumar Jain (w.e.f. 24.03.2022)
	Mr. Sunil H. Talati	Mr. Nikesh Jain (w.e.f. 16.03.2022)	Mr. Pradeep Kumar Malhotra (w.e.f. 17.01.2023)
	Mr. Sandeep J. Shah	Mr. Rushabh Gandhi (w.e.f. 31.03.2023)	Mrs. Baljinder Kaur Mandal (w.e.f. 17.01.2023)
	Mr. Jose Angel Tamariz Martel Goncer (w.e.f. 29.12.2021)	Mrs. Anusha Date (w.e.f. 31.03.2023)	Mr. Satyajit Tripathy (till 17.09.2021)
	Ms. Priti Savla (w.e.f. 10.02.2022)		Mr. Ravishankar G. Shinde (till 15.03.2022)
	Mr. Ravindra Dhariwal (w.e.f. 05.08.2022)		Mrs. Madhuri J. Kulkarni (till 06.12.2022)
	Mr. Mukeshlal Gupta (till 29.12.2021)		Mrs. Padma Betai (till 31.12.2022)
	Mr. Sudhir Rao Hoshing (till 29.12.2021)		
	Mrs. Heena Raja (till 10.02.2022)		
	Mr. Carlos Ricardo Ugarte Cruz Coke (till 05.08.2022)		

Related Party Transaction during the Year

(₹ in Lakhs)

Sr. No.	Particulars	Relation	Year ended March 31, 2023	Year ended March 31, 2022
1	**Repayment of secured loan (Long term)**		**10,021.38**	**3,910.93**
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	3,762.07	593.04
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	2,948.51	299.53
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	3,310.80	3,018.36
2	**Unsecured loan given (Long term)**		**45,947.80**	**-**
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	5,938.00	-
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	6,113.00	-
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	4,089.00	-
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	12,895.00	-
	VK1 Expressway Limited (VK1)	Subsidiary	16,912.80	-
3	**Repayment of unsecured loan (Long term)**		**9,215.00**	**27,111.82**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	-	11,006.23
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	-	8,000.00

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Sr. No.	Particulars	Relation	Year ended March 31, 2023	Year ended March 31, 2022
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	-	4,166.58
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	-	2,900.00
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	9,215.00	1,039.01
4	**Unsecured loans given (Short term)**		**10,915.91**	**46,063.00**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	-	12,000.00
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	57.00	8,336.00
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	-	392.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	1,959.20	-
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	4,023.21	-
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	3,655.00	-
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	1,221.50	25,335.00
5	**Repayment of unsecured loan given (Short term)**		**6,231.70**	**45,942.00**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	-	24,365.00
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	-	8,336.00
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	-	392.00
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	3,000.00	-
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	3,231.70	12,849.00
6	**Unsecured loan taken (Long term)**		**28,692.00**	**-**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	11,204.00	-
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	17,488.00	-
7	**Interest income**		**51,555.36**	**54,485.72**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	-	2,039.73
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	12,540.45	14,119.76
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	-	365.85
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	13,942.30	14,073.71
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	6,069.65	5,891.65
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	13,240.59	13,171.08
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	4,860.09	4,823.94
	VK1 Expressway Limited (VK1)	Subsidiary	902.28	-
8	**Other income - Interest unwinding- loan**		**5,384.58**	**-**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	2,588.49	-
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	2,796.09	-
9	**Finance cost - Interest unwinding on loan**		**185.30**	**-**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	12.93	-
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	172.37	-
10	**Investment Management fees (including indirect taxes)**		**1,180.00**	**1,278.15**
	IRB Infrastructure Private Limited (IRBFL)	Investment Manager	1,180.00	1,278.15

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Sr. No.	Particulars	Relation	Year ended March 31, 2023	Year ended March 31, 2022
11	**Distribution in the form of interest**		**5,763.78**	**5,652.92**
	IRB Infrastructure Developers Limited (IRBIDL)	Sponsor & Project Manager	5,006.07	4,913.37
	Mr. Virendra D. Mhaiskar	Director of Sponsor & Project Manager	660.96	648.72
	Mrs. Deepali V. Mhaiskar	Director of Sponsor & Project Manager	85.95	82.15
	Mr. Sudhir Rao Hoshing	Director of Sponsor & Project Manager	8.64	6.56
	Mr. Sunil Talati	Director of Sponsor & Project Manager	0.54	0.53
	Mr. Vinod Kumar Menon	Director of Investment Manager	1.62	1.59
12	**Distribution in form of capital**		**3,468.38**	**3,839.10**
	IRB Infrastructure Developers Limited (IRBIDL)	Sponsor & Project Manager	3,012.91	3,337.38
	Mr. Virendra D. Mhaiskar	Director of Sponsor & Project Manager	397.80	440.64
	Mrs. Deepali V. Mhaiskar	Director of Sponsor & Project Manager	51.16	55.80
	Mr. Sudhir Rao Hoshing	Director of Sponsor & Project Manager	5.20	3.84
	Mr. Sunil Talati	Director of Sponsor & Project Manager	0.33	0.36
	Mr. Vinod Kumar Menon	Director of Investment Manager	0.98	1.08
13	**Trustee fee**		**29.50**	**29.50**
	IDBI Trusteeship Services Limited (ITSL)	Trustee	29.50	29.50

Related Party Outstanding Balances

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As at March 31, 2023	As at March 31, 2022
1	**Equity Investment**		**144,850.08**	**127,505.48**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	53,232.48	53,232.48
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	13,175.00	13,175.00
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	19,812.00	19,812.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	9,909.00	9,909.00
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	4,925.00	4,925.00
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	15,550.00	15,550.00
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	10,902.00	10,902.00
	VK1 Expressway Limited (VK1)	Subsidiary	17,344.60	-
2	**Subordinated debt**		**99,431.00**	**99,431.00**
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	39,525.00	39,525.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	29,581.00	29,581.00
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	14,775.00	14,775.00
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	15,550.00	15,550.00

Standalone Notes to Financial Statements

for the year ended March 31, 2023

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As at March 31, 2023	As at March 31, 2022
3	**Secured loan receivable (Long term)**		**316,415.51**	**326,436.88**
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	87,713.63	91,475.70
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	89,653.37	92,601.88
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	37,153.84	37,153.84
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	93,712.76	93,712.76
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	8,181.91	11,492.70
4	**Unsecured loan receivable (Long term)**		**87,941.18**	**51,208.38**
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	12,845.71	6,907.71
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	21,603.04	15,490.04
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	10,094.47	6,005.47
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	20,233.07	7,338.07
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	6,252.09	15,467.09
	VK1 Expressway Limited (VK1)	Subsidiary	16,912.80	-
5	**Unsecured loan receivable (Short term)**		**20,899.11**	**16,214.90**
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	57.00	-
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	1,959.20	-
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	4,023.21	-
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	920.20	265.20
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	13,939.50	15,949.70
6	**Interest recievable**		**18,688.28**	**30,744.56**
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	18,688.28	30,744.56
7	**Unsecured loan payable (Long term)**		**23,492.72**	**-**
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	8,628.44	-
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	14,864.28	-
8	**Trade payables**		**177.00**	**647.33**
	IRB Infrastructure Private Limited (IRBFL)	Investment Manager	177.00	647.33

- During the year ended March 31, 2023, pursuant to the Share Purchase Agreement dated October 13, 2022, the Fund has acquired VK1 Expressway Limited (VK1) from IRBIDL.

  Summary of valuation report dated August 5, 2022 issued by the independent valuer under the SEBI (InvIT) Regulations is as follows :-

  Fair Enterprise value and equity value of VK1 Expressway Limited (VK1) as on July 31, 2022 is as under:-

(₹ in Lakhs)

Name of the SPV	Fair enterprise value	Equity value (including shareholder loan)
VK1 Expressway Limited (VK1)	132,540.00	37,670.00

Standalone Notes to Financial Statements

for the year ended March 31, 2023

After considering the aforesaid Valuation Report submitted by the relevant independent valuer and pursuant to the negotiations between the Investment Manager and the Sponsor, VK1 Expressway Limited (VK1) was acquired from the Sponsor. The aggregate purchase consideration agreed upon of ₹ 34,200 lakhs was utilised for acquisition of 100% of the equity share capital of VK1 Expressway Limited (VK1) and for payment of the shareholder loan provided to VK1 Expressway Limited (VK1) by the Sponsor. This aggregate consideration is at ~ 9% discount to the Equity Value (i.e., the value of the equity and the shareholder loan of the project).

The project was acquired through external borrowings of ₹ 18,800 lakhs and balance out of internal accruals.

- The following approach and assumptions have been considered for the valuation exercise:-
  a. The Free Cash Flows to Firm under the Discounted Cash Flow Method has been used for the purpose of valuation of the above SPV.
  b. The Weighted Average Cost of Capital for the above SPV has been considered as the discount rate for the above SPV for the purpose of valuation.

Note 23 : Fair Values

Financial assets and liabilities

The carrying values of financials instruments of the Fund are reasonable and approximations of fair values.

The accounting classification of each category of financial instruments, their carrying amounts and the categories of financial assets and liabilities measured at fair value, are set out below:

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
Financial assets measured at amortised cost				
Loans	425,529.03	394,166.32	425,255.80	394,166.32
Other financial assets	18,688.59	30,744.56	18,688.59	30,744.56
Cash and cash equivalents	105.22	316.53	105.22	316.53
Other Bank balances	516.86	48.28	516.86	48.28
Financial assets measured at fair value through statement of Profit & Loss				
Investments in mutual funds	15,313.92	21,510.85	15,313.92	21,510.85
Financial liabilities				
Financial liabilities measured at amortised cost				
Trade payables	199.32	671.79	199.32	671.79
Borrowings	178,033.52	141,259.03	179,073.17	141,259.03
Other financial liabilities	33.86	48.28	33.86	48.28

The management assessed that the fair value of loans, other financial assets, cash and cash equivalents, other bank balance,trade payables, borrrowings and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Fund is required to present the Statement of total assets at fair value and Statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 as a part of these financial statements - Refer Statement of Net assets at fair value and Statement of Total Returns at fair value.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

Note 24 : Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) price is active market for identical assets or liabilities

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023 :

(₹ in Lakhs)

	As at March 31, 2023	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds(Quoted)	15,313.92	15,313.92	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022 :

(₹ in Lakhs)

	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds(Quoted)	21,510.85	21,510.85	-	-

There has been no transfer between Level1, Level 2 & Level 3 during the year.

Note 25 : Disclosure Pursuant To Ind As 36 “Impairment Of Assets”

Based on a review of the future discounted cash flows of the subsidiaries, the recoverable amount is higher than the carrying amount of the investments except for the investments in IDAA and IRBSD and accordingly, provision for impairment aggregating to ₹ 4,522.50 Lakhs (Previous Year: ₹ 6,918.56 Lakhs) recognised in the statement of profit and loss for the year ended March 31, 2023.

Note 26 : Financial risk management objectives and policies

The fund’s risk management policies are established to identify and analyse the risks faced by the fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the fund’s activities.

The Board of Directors of Investment Manager have overall responsibility for the establishment and oversight of the fund’s risk management framework.

In performing its operating, investing and financing activities, the fund is exposed to the Credit risk, Liquidity risk and Market risk.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Fund is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at March 31, 2023, the credit risk is considered low since substantial transactions of the Fund are with its subsidiaries.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The fund's exposure to the risk of changes in market interest rates relates primarily to the fund's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Fund's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Increase in basis points		
- INR	50	50
Effect on profit before tax		
- INR	769.66	700.88
Decrease in basis points		
- INR	50	50
Effect on profit before tax		
- INR	(769.66)	(700.88)

b. Liquidity risk

Liquidity risk is the risk that the Fund may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Fund's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements.

The Fund closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 to 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analyses financial liabilities by remaining contractual maturities:

(₹ in Lakhs)

March 31, 2023	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	18,914.13	94,591.50	180,316.43	293,822.06
Other financial liabilities	33.86	-	-	33.86
Trade payables	199.32	-	-	199.32
Total	**19,147.31**	**94,591.50**	**180,316.43**	**294,055.24**

Standalone Notes to Financial Statements
for the year ended March 31, 2023

(₹ in Lakhs)

March 31, 2022	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	15,587.81	57,111.63	155,847.85	228,547.29
Other financial liabilities	48.28	-	-	48.28
Trade payables	671.79	-	-	671.79
Total	**16,307.88**	**57,111.63**	**155,847.85**	**229,267.36**

At present, the fund does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

Note 27 : Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Trust manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Fund may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022.

The Fund monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	179,073.17	142,205.45
Less: cash and cash equivalents	(105.22)	(316.53)
Net debt (A)	**178,967.95**	**141,888.92**
Total equity (B)	**514,693.55**	**524,792.46**
Capital and net debt C = A + B	**693,661.50**	**666,681.38**
Gearing ratio (%) (C / A)	**25.80%**	**21.28%**

In order to achieve this overall objective, the fund's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period.

Note 28 : Distribution made

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Distributed during the year as :		
Interest *	31,347.00	30,766.50
Return on capital*	18,866.25	20,898.00
Total	**50,213.25**	**51,664.50**

*Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2021-22 and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after March 31, 2023.

The distributions made by the Fund to its unit holders are based on the Net Distribution Cash Flow (NDCF) of Fund under the InvIT Regulations and hence part of the same includes repayment of capital as well.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

Note 29 : Project acquisition

Pursuant to the Share Purchase Agreement dated October 13, 2022, the Fund has acquired the subsidiary company viz. VK1 Expressway Limited ('Project SPV') for an aggregate purchase consideration of ₹ 34,200 lakhs towards 100% of the equity share capital of Project SPV and repayment of the shareholder loan to Project SPV. For details refer note no.22.

Note 30 : Note on Day one fair valuation impact

The Trust is in receipt of borrowings from subsidiary companies which are accounted for at fair value. The initial impact due to fair valuation amounting to ₹ 5,384.57 lakhs has been included as part of Other Income and the subsequent unwinding impact of such fair valuation would be charged to the Statement of Profit & loss account.

Note 31 :Loans or advances to specified persons

(₹ in Lakhs)

Types of borrower	As at March 31, 2023		As at March 31, 2022	
	Amount outstanding*	% of Total ^	Amount outstanding*	% of Total ^
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	425,255.80	100%	393,860.16	100%
Total aggregate loans	**425,255.80**	**100%**	**393,860.16**	**100%**

* represents loan or advance in the nature of loan

^ represents percentage to the total Loans and Advances in the nature of loan

Note 32 : Other financial information - ratios

Particulars	Note reference	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Ratio	a	11.86	12.76
Debt – Equity Ratio	b	0.35	0.27
Debt Service Coverage Ratio	c	1.51	2.82
Return on Equity (ROE):	d	8.00%	7.00%
Inventory Turnover Ratio		Not applicable	Not applicable
Trade receivables turnover ratio (no. of days)		Not applicable	Not applicable
Trade payables turnover ratio (no. of days)	e	3.31 days	3.46 days
Net profit ratio	f	77.86%	64.83%
Net capital turnover ratio	g	0.82	0.75
Return on capital employed (ROCE)	h	7.47%	7.12%
Return on investment (ROI)	i	5.33%	3.93%

Note :

a) Current ratio (in times) : Current Assets / Current liabilities

b) Debt - Equity ratio : Total Debt divided by Equity

c) Debt Service Coverage Ratio (DSCR) (no. of times) : Net Profit before interest add other non cash adjustment , divided by Interest expense (net of moratorium interest, interest cost on unwinding (long term unsecured loans) and amortisation of transaction cost) together with repayments of long term debt during the period

d) ROE : Net Profits after taxes / Average Shareholder's Equity

e) Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables

f) Net profit margin (in %) : profit after tax / Revenue from operation

g) Net capital turnover ratio (in times) = Net Sales / Working Capital

Standalone Notes to Financial Statements
for the year ended March 31, 2023

h) ROCE : Earning before interest and taxes / Capital Employed (Capital Employed = Net Worth + Total Debt + Deferred Tax Liability)

i) Return on investment (ROI) = Income generated from invested fund / Average invested funds in treasury investment

Note 33 : Other Statutory Information

i) The Trust have not traded or invested in Crypto currency or Virtual Currency during the financial year.

ii) The Trust does not hold benami property and no proceedings under Benami transaction (Prohibition) Act 1988 have been initiated against the trust.

iii) The Trust do not have any transactions with companies struck off.

iv) The Trust have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

v) The Trust have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi) The Trust have not advance or loaned or invested (either from borrowed fund or share premium or any other source or kind of fund) by the company to or in any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Trust did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

viii) The Trust has not declared a wilful defaulter by any bank/ financial institution or any other lender during the year.

Note 34 : Investment Manager Fees

Pursuant to the Investment Management Agreement, the Investment Manager is entitled to an Investment Management fees to be calculated @ 1% per annum, exclusive of GST, of the consolidated toll revenue (net of premium paid / revenue shared with NHAI) of the Fund at the end of the reporting period subject to a floor of ₹ 100 million and a cap of ₹ 250 million.

Note 35 : Interest receivables from a Subsidiary company

Due to dispute on the deferred premium calculation of previous years between IRBTC ('the Subsidiary company' or 'concessionaire') and the NHAI, the concessionaire had filed appeal with the Hon'ble High Court of Delhi for resolution against the NHAI's demand of advance premium of ₹ 16.98 crore in aggregate and interest on it. As per the interim order of the Division Bench of Hon'ble High Court, withdrawals from Escrow Account were not permitted till the final order in the matter. The Division Bench of Hon'ble High Court, while disposing off the petitions, had continued with the embargo on withdrawals from the Escrow Account. The Hon'ble High Court further referred the matter to Arbitration Tribunal for adjudication and interim relief, if any, to the Parties based on their applications.

During the arbitration proceedings, the Hon'ble Arbitral Tribunal, in its Interim Award, had removed the existing embargo on the operations of the Escrow Account and permitted the withdrawals towards taxes, O&M payments and debt servicing by the Company aggregating to ₹ 193 crores and also allowed withdrawals for payment of undisputed premium/ revenue share to NHAI. Moreover, the Hon'ble Arbitral Tribunal permitted the operations of the escrow account to continue as per the waterfall mechanism provided in the Escrow agreement. The matter is currently pending before the Arbitral Tribunal. As on March 31, 2023 the outstanding interest receivable is ₹ 18,688.28 lakhs which is expected to be recovered considering the overall performance and financial position of IRBTC.

Note 36 : Significant accounting judgement, estimates and assumptions

The preparation of the Fund's financial statements requires management to make judgments, estimates and assumptions

Standalone Notes to Financial Statements
for the year ended March 31, 2023

that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in out comes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgement

In the process of applying the Fund's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Classification of unit holders Funds

Under the provisions of the InvIT Regulations, Fund is required to distribute to Unit holders not less than ninety percent of the net distributable cash flows of Fund for each financial year. Accordingly, a portion of the unit holders' Funds contains a contractual obligation of the Fund to pay to its Unit holders cash distributions. The Unit holder's Funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32-Financial Instruments: Presentation.

However, in accordance with SEBI Circulars(No.CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No.CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unit holders' Funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20-Oct-2016 dealing with the minimum disclosures for key financial statements. In line with the above, the income distribution payable to unit holders is recognized as liability when the same is approved by the Investment Manager.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Fund. Such charges are reflected in the assumptions when they occur.

Fair valuation and disclosures

SEBI Circulars issued under the InvIT Regulations required is diclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Fund engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the road projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc. Changes in assumptions about these factors could affect the fair value. (refer note 23 for details).

Impairment of investments and loans in subsidiaries

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments in subsidiaries are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from budgets / forecasts over the life of the projects.

Note 37 : Taxes

In accordance with section 10 (23FC) of the Income Tax Act, the income of business Fund in the form of interest received or receivable from Project SPV is exempt from tax. Accordingly, the Fund is not required to provide any current tax liability. Further, deferred tax assets on carry forward losses is not being created since there is no virtual certainty of reversal of the same in the near future.

Standalone Notes to Financial Statements

for the year ended March 31, 2023

Note 38

The Trust has presented these standalone financial information (for all the periods presented there in) in accordance with the requirement of Schedule III - of the Companies Act , 2013 including amendments thereto , effective from April 01,2021.

Note 39 : Subsequent events

The Board of Directors of the Investment Manager have approved 4th Distribution of ₹ 2.00 per unit which comprises of ₹ 1.70 per unit as interest and ₹ 0.30 per unit as return of capital in their meeing hold on May 08, 2023.

Note 40 : Previous year comparatives

Previous year's figures have been regrouped / reclassified, wherever necessary to conform to the current year's presentation.

Signature to Note 1 to 40

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration Number: 121750W/W-100010

Sd/-
Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date: May 08, 2023

For and on behalf of IRB Infrastructure Private Limited
(Investment Manager of IRB InvIT Fund)

Sd/-
Vinod Kumar Menon
Wholetime Director & CEO
DIN: 03075345

Sd/-
Rushabh Gandhi
Director & CFO
DIN: 08089312

Sd/-
Swapna Vengurlekar
Company Secretary
Membership No: A32376

Place: Mumbai
Date: May 08, 2023

IRB INVIT FUND

Registered Office
IRB Complex, Chandivali Farm, Chandivali Village,
Andheri (E), Mumbai – 400 072, Maharashtra, India
Tel.: +91 22 6640 4299
Fax: +91 22 6640 4274
E-Mail: info@irbinvit.co.in
Website: www.irbinvit.co.in

Concept, Content & Design (info@wyatt.co.in)