IRB
INFRASTRUCTURE TRUST

ANNUAL REPORT 2022-23

Karwar Kundapura NH-17 Highway

Contents

Lane 1
Car/Jeep/Van
IRB
National Highways Authority of India

Corporate Information

Registered Office

1101, Hiranandani Knowledge Park,
Technology Street, Hill Side Avenue,
Powai, Mumbai – 400 076,
Maharashtra, India

SEBI Registration No
IN/InvIT/19-20/0012

Tel.: 022 6733 6400;
Fax: 022 4053 6699
E-Mail: irbinfrastructuretrust@irb.co.in
Website: www.irbinfratrust.co.in
Compliance Officer:
Mr. Kaustubh Shevade

Bankers / Lenders

India Infradebt
State Bank of India
Canara Bank
Aseem Infrastructure Finance Limited
Union Bank of India
IDBI Bank
Bank of Maharashtra
Indian Overseas Bank
Bank of India
India Infrastructure Finance Company Limited
Indian Bank
IIFCL
J.P. Morgan Securities India Private Limited
Larsen and Toubro Limited
IFCI Limited
Punjab National Bank
Bank of Baroda
IDFC First Bank Limited
UCO Bank
Barclays Bank PLC

Auditor

Gokhale & Sathe,
Chartered Accountants

Unit No. 304/308/309,
Udyog Mandir No. 1,
7-C, Bhagoji Keer Marg, Mahim,
Mumbai 400 016
Maharashtra, India
Tel: +91 22 4348 4242
E-mail: office@gokhalesathe.in
Firm registration number: 103264W
Peer Review Certificate number: 012211

Internal Auditor

Suresh Surana & Associates LLP
308-9, Technopolis Knowledge Park,
Mahakali Caves Road, Chakala,
Andheri (East) Mumbai-400093
Maharashtra, India
E-mail: accounts@ss-associates.com
LLP NO. AAB-7509

Securities Information

National Stock Exchange of India Ltd.:

ISIN: INE0C8K23012
NSE Symbol: IRBIT

Investment Manager

MMK Toll Road Private Limited

CIN: U45200MH2002PTC135512

Registered Office

1101, Hiranandani Knowledge Park,
Technology Street, Hill Side Avenue,
Powai, Mumbai – 400 076,
Maharashtra, India
Tel.: +91 22 6733 6400;
E-Mail: dhananjay.joshi@irb.co.in

Board of Directors

- Mr. Virendra D. Mhaiskar
  - Chairman
- Mr. Kunnasagaran Chinniah
- Mr. Boon Chin Hau
- Mr. Aryan Mhaiskar
- Mr. K. G. Krishnamurthy
  - Independent Director
- Mrs. Ranjana Paranjape
  - Independent Director
- Mr. Amyn Jassani
  - Independent Director
- Mr. Nagendraa Parakh
  - Independent Director

Key Managerial Personnel

- Mr. Dhananjay Joshi
  - Chief Executive Officer
- Ms. Shilpa Todankar
  - Chief Financial Officer
- Mr. Kaustubh Shevade
  - Company Secretary & Compliance Officer

Trustee of the Trust

IDBI Trusteeship Services Limited
Universal Insurance Building,
Ground Floor
Sir P.M Road, Fort
Mumbai, Maharashtra – 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 (Formerly known as KFin Technologies Private Limited)

Selenium Building, Tower B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 032
Tel.: +91 40 6716 2222, 7961 1000

Valuer

Mr. Sunit Khandelwal

Communication address: 1006 A&B,
10th floor, Welldone TechPark,
Sohna Rd., Sector 48,
Gurgaon 122 018, Haryana, India

Registered Address: F 1502, GPL Eden Heights, Sector 70,
Gurugram 122 001, Haryana, India

Tel: +91 124 436 2995
E- mail: sunitk@incwert.com
Contact Person: Mr. Sunit Khandelwal

INVESTMENT MANAGER'S REPORT ON ACTIVITIES OF THE INVIT

IRB Infrastructure Trust ('the Trust') has been settled by IRB Infrastructure Developers Limited (the "Sponsor") pursuant to the Indenture of Trust in Delhi, India, as an irrevocable trust in accordance with the Indian Trusts Act. The Trust has been registered with SEBI as an Infrastructure Investment Trust under the SEBI InvIT Regulations, 2014 (Registration Number: IN/InvIT/19-20/0012). The object and purpose of the Trust, as described in the Indenture of Trust, is to carry on the activity of an infrastructure investment trust under the InvIT Regulations. The principal investment objective of the Trust is to own, operate and invest in infrastructure projects in India, directly or through holding companies or SPVs and make other investments and undertake such activities in such jurisdictions as may be permissible under the InvIT Regulations, other applicable law and the Trust Documents.

The Trust own, operate and maintain a portfolio of ten toll-road assets in the Indian states of Maharashtra, Gujarat, Uttar Pradesh, Rajasthan, Karnataka, Haryana and West Bengal. These toll roads are operated and maintained, pursuant to concessions granted by the NHAI. Recently the Trust has listed its units with National Stock Exchange of India Limited w.e.f. April 3, 2023.

Summary of 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 millions)

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*	27,175.67	12,504.97	4,222.87	4,200.44
Total Expenditure**	29,480.14	17,652.31	673.86	2,224.69
Profit before tax	(2,304.47)	(5,147.34)	3,549.01	1,975.75
Less: Provision for tax				
Current tax	435.25	8.87	-	-
Deferred Tax	(468.13)	(720.23)	-	-
Profit after tax	**(2,271.59)**	**(4,435.98)**	**3,549.01**	**1,975.75**
Less : Minority Interest	0.59	-	-	-
Profit after minority interest	**(2,272.18)**	**(4,435.98)**	**3,549.01**	**1,975.75**
Add: Profit at the beginning of the year	(8,108.29)	(3,669.05)	5,992.74	4,020.25
Profit available for appropriation	(10,380.47)	(8,105.03)	9,541.75	5,996.00
Appropriations:				
Unit Issue Expenses	(15.33)	(3.26)	(15.33)	(3.26)
Interest Distribution	-	-	-	-
Other comprehensive income/(loss) for the period	-	-	-	-
Balance Carried Forward to Balance Sheet	**(10,395.80)**	**(8,108.29)**	**9,526.42**	**5,992.74**

*Consolidated Total income includes Contract Income of Rs 11,672.04 Million (March 2022 - Rs. 1,054.48 Million)

**Consolidated Total expenditure includes Contract Expenses of Rs 11,330.91 Million (March 2022 - Rs. 1,036.47 Million)

The total operating expenses of the Trust along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties, if any during the year:

Please refer Annual Financial Statements of IRB Infrastructure Trust.

Management Discussion and Analysis

The Trust has acquired following assets from the Sponsor from time to time.

1. AE Tollway Limited (AETL)
2. CG Tollway Limited (CGTL)
3. IRB Hapur Moradabad Tollway Limited (IHMTL)
4. IRB Westcoast Tollway Limited (IWTL)
5. Kaithal Tollway Limited (KTL)
6. Kishangarh Gulabpura Tollway Limited (KGTL)
7. Solapur Yedeshi Tollway Limited (SYTL)
8. Udaipur Tollway Limited (UTL)
9. Yedeshi Aurangabad Tollway Limited (YATL)
10. Palsit Dankuni Tollway Private Limited (PDTPL)

Factors affecting operations

The business of Project Special Purpose Vehicle (SPVs'), prospects, results of operations and financial condition are affected by a number of factors including the following key factors:

Project update

IRB Hapur Moradabad Tollway Limited (IHMTL) has received COD on July 01, 2022 and has received a rate hike of ~65%. Kishangarh Gulabpura Tollway Limited has received COD on July 20, 2022 and has received a rate hike of ~78%. IRB Westcoast Tollway Limited has received PCOD-3 on March 24, 2023 and has received a rate hike of ~6%.

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.

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.

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.

The interest rates are linked to Marginal Cost of Funds Based Lending Rate (MCLR) of the bank with a spread margin of 15 basis points. It is perceived that any change in the interest rate on the reset date would affect the cash flows of the Fund. However rising interest rate will have a direct impact on inflation that in turn results in higher tariff revision for the projects, thus mitigating the risk of higher interest rate on cash flows of the Fund.

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 judgments, 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 judgments 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

As permitted under Ind AS, the group has elected to continue with the carrying value of its toll collection rights (which form part of its intangible assets), as recognised in the financial statements as at the date of transition to Ind AS and measured as per the previous GAAP.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

Toll Collection Rights

Toll collection rights including premium to NHAI 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 a DBFOT basis - direct and indirect expenses on construction of roads, bridges, culverts, infrastructure and other assets at the toll plazas.

Amortisation

Toll Collection Rights are amortised over the period of concession, using revenue based amortisation as prescribed in Ind AS-38. 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.

Provisions

Provisions are recognised when the Project SPV 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 Project SPV 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Principal Components in the Consolidated Statement of 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, which 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.

Expense items

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

Depreciation and amortisation

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 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, payments to the SPVs auditor, Corporate social responsibilities expenditure, bank charges, insurance and other miscellaneous expenses.

PROJECT-WISE DETAILS OF THE ASSETS OF THE TRUST

Particulars	AETL	CGTL	IHMTL	IWTL	KTL	KGTL	SYTL	UTL	YATL	PDTPL
Concession period (in years)	24	20	22	28	27	20	29	21	26	17
Concession start date	01-08-2016	04-11-2017	28-05-2019	03-03-2014	15-07-2015	21-02-2018	21-01-2015	03-09-2017	01-07-2015	31-01-2022
Concession end date without reduction/ extension	31-07-2040	03-11-2037	31-05-2041	02-03-2042	14-07-2042	20-02-2038	20-01-2044	02-09-2038	30-06-2041	01-04-2039
Concession end date with reduction/ extension	19-10-2045	03-02-2042	24-01-2046	06-02-2048	06-02-2049	20-06-2042	20-04-2044	13-02-2043	13-02-2044	05-11-2036
Tolling start date	01-08-2016	04-11-2017	28-05-2019	11-02-2020	06-09-2017	21-02-2018	05-03-2018	03-09-2017	17-03-2019	02-04-2022
Appraised Total project cost (Rs. in Million)	25,230	20,900	33,450	26,390	22,900	15,260	14,920	20,880	31,770	23,140
No. of Toll plazas	2	2	2	3	3	1	2	1	3	1
Km Length	125	125	100	190	166	90	99	114	189	64
Lane Km	747	749	599	758	665	540	395	683	756	384
State	U.P	Rajasthan	U.P	Karnataka	Haryana	Rajasthan	Maharashtra	Rajasthan	Maharashtra	West Bengal
National Highway	NH-2	NH-79	NH-24	NH-17	NH-152	NH-79	NH-211	NH-8	NH-211	NH-19

PROJECT-WISE GROSS TOLL COLLECTIONS FROM THE UNDERLYING PROJECTS

(Amt in millions)

Particulars	For the Quarter ended June 30, 2022	For the Quarter ended September 30, 2022	For the Quarter ended December 31, 2022	For the Quarter ended March 31, 2023
AETL	549.86	510.38	575.76	563.03
CGTL	821.57	841.86	870.65	911.61
IHMTL	387.56	552.55	678.80	655.67
IWTL	298.15	261.85	325.93	321.96
KTL	393.86	366.58	376.12	368.14
KGTL	303.34	516.93	591.89	612.23
SYTL	308.35	295.27	343.39	348.08
UTL	637.91	589.79	639.23	661.57
YATL	573.52	599.44	691.69	690.65
PDTPL	544.60	497.59	498.33	521.79
Total	**4,818.72**	**5,032.25**	**5,591.79**	**5,654.73**

Gross Toll collections of the InvIT for the last 5 years, project-wise

Sr. No.	Project SPV	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
1	AETL	2,199.03	1,896.30	1,230.60	835.39
2	CGTL	3,445.69	2,276.44	1,402.25	1,594.43
3	IHMTL	2,274.59	1,405.59	1,270.85	1,076.81
4	IWTL	1,207.89	851.88	697.90	92.21
5	KTL	1,504.69	441.10	701.85	954.18
6	KGTL	2,024.38	1,050.58	935.71	1,116.43
7	SYTL	1,295.10	839.58	693.07	664.06
8	UTL	2,528.50	2,003.24	1,177.94	1,327.67
9	YATL	2,555.29	1,612.72	1,315.15	1,071.61
10	PDTPL	2,062.31	-	-	-

The Trust was formed on August 27, 2019, and same has been registered as an Infrastructure Investment Trust under SEBI InvIT Regulations on November 25, 2019. It completed its first investment in all project SPVs on February 25, 2020 with transaction cutoff w.e.f from 1st March, 2020 except PDTPL, in which the Trust has completed acquisition of 99.96% equity stake on April 21, 2022. Hence, information has been provided for all Project SPVs (except PDTPL) from financial year 2019-20 and for PDTPL from financial year 2022-23.

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 Projection Report issued by M/s. GMD Consultants, Technical Consultant, for each Project SPVs was submitted to the Stock Exchanges within stipulated time period.

Addition and divestment of assets

During the year under review on April 21, 2022 the Trust has completed acquisition of 99.96% equity stake in Palsit Dankuni BOT Project SPV.

Valuation of Assets and NAV as at March 31, 2023

Particulars	Amt in Millions
Net Assets	1,82,743.52
Outstanding units	879.29
NAV at Fair Value (Per Unit)	**207.83**

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

A) Standalone Basis

(Amt in million)

Particulars	Opening Balance	Loan availed during the period	Loan repaid during the period	Closing Balance
Unsecured Loan	4,085.74	1,532.48	267.50	5,350.72
Total	**4,085.74**	**1,532.48**	**267.50**	**5,350.72**

B) Consolidated Basis

(Amt in million)

Particulars	Opening Balance	Loan availed during the period	Loan repaid during the period	Closing Balance
Secured Loan	94,124.22	35,082.22	27 836.63	1,01,369.82
Unsecured Loan	4,085.74	1,532.48	267.50	5,350.72
Total	**98,209,96**	**36,614.70**	**28,104.13**	**1,06,720.54**

Details regarding the monies lent by the InvIT to the holding company or the Project SPV in which it has investment in:

(Amt in million)

Particulars	Opening Balance	Loan availed during the period	Loan repaid during the period	Closing Balance
Long term Loan to Project SPV	30,302.98	48.71	-	30,351.69
Short term Loan to Project SPV	3,492.95	2,453.44	525.10	5,421.29
Total	**33,795.93**	**2,502.15**	**525.10**	**35,772.98**

Past performance of the InvIT with respect to unit price, distributions made and yield for the last 5 years, as applicable

Not Applicable since the Trust is privately placed InvIT and has listed its units with National Stock Exchange of India Limited w.e.f. April 3, 2023.

Details of all related party transactions during the year, value of which exceeds five percent of value of the InvIT assets

The details of all related party transactions have been included in audited financial statements forming part of the Annual Report.

Credit Rating

CRISIL Ratings Limited has assigned rating of IRB INFRASTRUCTURE TRUST at "Provisional CRISIL AAA/ STABLE" (provisional)

Update on development of under-construction projects, as on March 31, 2023

Project	Progress % (LIE)*	Progress % (IE)**	Expected COD Date
PALSIT DANKUNI (PDTPL)	33%	30%	28-09-2024

*LIE = Lenders Independent Engineer

**IE: Independent Engineer

INVESTMENT MANAGER

MMK Toll Road Private Limited is the Investment Manager (IM) of the Trust, and has been designated as such pursuant to the Investment Management Agreement dated August 27, 2019. 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) and the Investment Management Agreement.

As on March 31, 2023, The Board of Directors of Investment Manager were as under:

1. Mr. Virendra D. Mhaiskar - Non-Independent Director
2. Mr. Kunnasagaran Chinniah- Non- Independent Director
3. Mr. K G Krishnamurthy - Independent Director
4. Mrs. Ranjana Paranjape - Independent Director

Further following directors were appointed by the Investment Manager with effect from May 31, 2023.

1. Mr. Boon Chin Hau - Additional Non-Independent Director
2. Mr. Aryan Mhaiskar - Additional Non-Independent Director
3. Mr. Amyn Jassani - Additional Independent Director
4. Mr. Nagendraa Parakh - Additional Independent Director

Key Managerial Personnel of Investment Manager are as under:

1. Mr. Dhananjay K. Joshi — Chief Executive Officer
2. Ms. Shilpa Todankar — Chief Financial Officer
3. Mr. Kaustubh Shevade — Company Secretary & Compliance Officer

SPONSOR AND THE PROJECT MANAGER

IRB Infrastructure Developers Limited is 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.

The Sponsor is also acting as the Project Manager. The Sponsor has experience in developing road and highway infrastructure and has received various industry awards and recognitions.

For more details about the Sponsor, please refer their website www.irb.co.in

DIRECTORS OF THE SPONSOR:

The Board of Directors of the Sponsor, are as follows:

S. No.	Name	Designation
1.	Mr. Virendra D. Mhaiskar	Chairman & Managing Director
2.	Mrs. Deepali V Mhaiskar	Wholetime Director
3.	Mr. Jose Tamariz Martel Goncer	Non-executive Director
4.	Mr. Ravindra Dhariwal	Non-executive Director
5.	Mr. Chandrashekhar Kaptan	Independent Director
6.	Mr. Sandeep Shah	Independent Director
7.	Mr. Sunil Talati	Independent Director
8.	Mrs. Preeti Savla	Independent Director

TRUSTEE

The Sponsor has settled the Trust pursuant to the Indenture of Trust and appointed IDBI Trusteeship Services Limited as Trustee in accordance with the provisions of the InvIT Regulations. The Trustee is a professionally managed Trusteeship Company, duly registered with SEBI and jointly promoted by IDBI Bank Limited, Life Insurance Corporation and General Insurance Corporation 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. VCF trustees/ 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 is the one of the largest trusteeship companies in India. The Trustee provides trusteeship services to corporates across diverse industries as well as domestic and foreign banks and financial institutions. The Trustee has vast experience in providing trusteeship services to a wide range of corporates and institutions from different business sectors.

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 or 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 wilful defaulters published by the RBI.

The details of the Trustee are as follows:

A. Details of the Trustee

a) Name: IDBI Trusteeship Services Limited;

b) Registered Office: Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort, Mumbai- 400 001

c) Telephone Number: +91 22 4080 7016;

d) E-mail: itsl@idbitrustee.co.in

B. Details of the Contact Person of the Trustee

a) Name: Mr. Shivaji Gunware / Mr. Naresh Sachwani;

b) Telephone Number: +91 22 4080 7016; and

c) E-mail: sgunware@idbitrustee.com / naresh.sachwani@idbitrustee.com

C. Details of Trustee's Registration with SEBI

The Trustee is registered with SEBI as a debenture trustee with registration number IND000000460.

Directors 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 any other infrastructure investment trust or 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 wilful defaulters published by the RBI.

The Board of Directors of the Trustee, are 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:

The Investment Manager, in consultation with the Trustee, has appointed Mr. Sunit Khandelwal (IBBI Registration No. IBBI/RV/05/2018/10426) to carry out valuation.

The Valuer is not an Associate of the Sponsor, the Investment Manager or the Trustee, and has not less than five years of experience in the valuation of infrastructure assets.

Details of changes in clauses in trust deed, investment management agreement or any other agreement entered into pertaining to activities of InvIT

During the year under review, necessary agreements have been entered into by the Trust in relation to implementation of Palsit Dankuni Tollway Private Limited.

Any regulatory changes that has impacted or may impact cash flows of the underlying projects

During the period, there are no material regulatory changes that had impacted or may impact cash flows of the underlying projects.

Change in material contracts or any new risk in performance of any contract pertaining to the InvIT

During the period, there is no change in material contracts or any new risk in performance of any contract pertaining to the Trust.

Any legal proceedings which may have significant bearing on the activities or revenues or cash flows of the InvIT

Except otherwise specified under separate section on litigations in this report, during the period under review, there were no legal proceedings which may have significant bearing on the activities or revenues or cash flows of the Trust.

Any other material change/update during the year

Major updates related to acquisition of PDTPL and achievement of CODs for the several projects during the financial year under review, have been provided earlier in this report at Project Update Section.

Details of issue and buyback of units during the year, if any

During the year under review pursuant SEBI Circular no. SEBI/HO/DDHS/DDHS/CIR/P/2020/223 dated November 4, 2020, read with Master Circular on InvITs dated November 29, 2021 the Trust has issued and allotted 2,42,50,000 units on rights issue basis to existing Unitholders. During the year under review, the trust has not bought back any units.

Details of General Meetings of InvIT & Project SPVs held during year under review

General Meetings of InvIT:

Sr. No.	Type of Meeting	Date	Whether all business items were approved with requisite majority
1	Annual General Meeting	23.06.2023	Yes

General Meetings of Project SPVs:

Name of the Project SPV	Type of Meeting	Date	If all business items were approved with requisite majority
AE Tollway Limited	AGM*	22.06.2022	Yes
	EGM**	02.08.2022	Yes
CG Tollway Limited	AGM	22.06.2022	Yes
IRB Hapur Moradabad Tollway Limited	AGM	22.06.2022	Yes
IRB Westcoast Tollway Limited	AGM	22.06.2022	Yes
	EGM	02.08.2022	Yes
Kaithal Tollway Limited	AGM	22.06.2022	Yes
	EGM	02.08.2022	Yes
Kishangarh Gulabpura Tollway Limited	AGM	22.06.2022	Yes
Solapur Yedeshi Tollway Limited	AGM	22.06.2022	Yes
	EGM	02.08.2022	Yes
Udaipur Tollway Limited	AGM	22.06.2022	Yes
	EGM	02.08.2022	Yes
	EGM	12.12.2022	Yes
Yedeshi Aurangabad Tollway Limited	AGM	22.06.2022	Yes
	EGM	02.08.2022	Yes

*AGM= Annual General Meeting

**EGM= Extraordinary General Meeting

Brief details of pending material litigations and regulatory actions, against the InvIT, sponsor(s), Investment Manager, Project Manager(s), or any of their associates and the Trustee, if any, as at the end of the year

Note:

1) Outstanding litigation against any of the Project SPVs before any judicial forum involving a claim amount exceeding ₹62.52 million (INR 6.25 Crores), being 0.5% of the combined income of the Project SPVs for the previous completed Financial Year (i.e. FY 2022) are disclosed.

   Outstanding litigation against the Sponsor/Project Manager, the Investment Manager and their respective Associates (excluding the Project SPVs) before any judicial forum involving a claim amount exceeding ₹317.77 million (INR 31.77 Crore), being 0.5% of the income of the Sponsor for the last completed Financial Year (i.e., the Financial Year 2022), in accordance with its audited consolidated financial statements for the Financial Year 2022 have been considered material.

   In relation to outstanding litigation where the monetary liability is not quantifiable, such litigation shall be considered material and disclosed in the event that the outcome of such litigation would have a material adverse effect on the position of the Project SPVs.

2) Further, due to the nature and extent of their operations, the Sponsor/Project Manager and the Project Entities (including the Project SPVs) are and may be routinely required to file complaints and/or register first information reports against various persons, on account of such persons, inter-alia, refusing to pay toll, causing injury to the employees or contract labour of such entities etc., which have been not been disclosed.

3) Additionally, there have been various criminal complaints, compensation claims and first information reports filed against the employees and contract labour of the Sponsor/Project Manager and the Project Entities (including the Project SPVs), in which such entities are not impleaded, which have been not been disclosed.

IRB Infrastructure Trust

There are no outstanding material litigations and regulatory actions involving IRB Infrastructure Trust.

Project SPVs

Yedeshi Aurangabad Tollway Limited (YATL)

1. Mr. Shaikh Rafiq and others (the "**Petitioners**") filed a writ petition against the IRB Infrastructure Developers Limited, Modern Road Makers Private Limited and others (the "**Respondents**") before the Bombay High Court Aurangabad in relation to acquisition of land for the four laning of Yedshi – Aurangabad road that forms a part of the Solapur – Aurangabad highway, i.e., NH 211. The Petitioners alleged that certain of the Respondents tried to change the alignment of the land already acquired for the project to include additional land in order to protect interest of one of the Respondent which is illegal. The IRB Infrastructure Developers Limited filed its response to the petition filed by the Petitioners and inter-alia stated that (i) the correct party to be impleaded in the petition is YATL and not itself as YATL is responsible for the operations under the concession agreement and therefore the petition should be dismissed on account of misjoinder and non-joinder of necessary parties; and (ii) acquisition of land is the responsibility of the NHAI and hence, no cause of action lies against itself. The

matter is currently pending.

2. Mr. Panditrao Digambarrao Shete Chausalkar and another (the "**Petitioners**") filed a writ petition against the IRB Infrastructure Developers Limited and others (the "**Respondents**") before the Bombay High Court Aurangabad in relation to acquisition of land for the four laning of Yedshi – Aurangabad road that forms a part of the Solapur – Aurangabad highway, i.e. NH 211. The Petitioners have alleged that an award was passed acquiring land of the Petitioners without following the due procedure of law and the acquisition of the land of the Petitioners is illegal. The Petitioners requested the Bombay High Court Aurangabad to set aside the award for acquisition of the lands of the Petitioner and that the Respondents should be restrained from acquiring such land. The matter is currently pending.

3. Mr. Pruthviraj Shahane (the "**Petitioner"**) filed a civil suit against the IRB Infrastructure Developers Limited and others (the "**Respondents**") before the Civil Judge (Senior Division), Beed, alleging that the Respondents encroached upon its land by erecting electric polls over them instead of erecting them over land which has been acquired for the project. The Petitioner has, inter-alia, requested the court to grant a decree of perpetual and mandatory injunction against the Respondents. The matter is currently pending.

4. YATL had submitted claims to NHAI for compensation as per Clause 35.2 and Clause 35.3 of the Concession Agreement on account of delays attributable to NHAI during construction of the Project. YATL approached the NHAI for amicable settlement of claims, since the parties were unable to reach a settlement, YATL invoked arbitration under its Concession Agreement and filed claims for compensation in terms of Clause 35.2 & 35.3 and other Force Majeure provisions under the Concession Agreement aggregating to an amount of approximately ₹17,508.0 million and an extension to the Concession Period by 869.41 days. The arbitral proceedings are in progress and the matter is currently pending.

AE Tollway Limited (AETL)

AETL has filed for settlement through conciliation with the NHAI in relation to a dispute with respect to the payment of premium with proportionate reduction of revenue losses on account of COVID-19 and delay in completion of construction. As there was no settlement reached between the Parties, AETL invoked arbitration proceedings against the NHAI under the terms of its concession agreement and submitted its consolidated claims for compensation in terms of Article 35.2 & 35.3, short premium and other Force Majeure provisions under the Concession Agreement claims for amounts aggregating to ₹13,179.8 million and sought extension of the concession period by 351.41 days. The matter is currently pending.

IRB Hapur Moradabad Tollway Limited (IHMTL)

There are no outstanding material litigations actions involving IHMTL.

IRB Westcoast Tollway Limited (IWTL)

1. Mr. Laxman Neelakantha Desai (the "**Petitioner**") has filed a petition against IWTL (the "**Respondent**") before the court of Civil Judge Karwar alleging that the blasting of rocks done by the Respondent has caused damage to the property of the Petitioner. The Petitioner has requested a permanent injunction restraining the Respondent from undertaking such activity. The court had passed an order granting a temporary injunction against the Respondent. Subsequently, the parties entered into a mediation agreement, pursuant to which the court passed an order dated April 28, 2017, vacating the earlier injunction. The matter is currently pending.

2. Mr. V Sachhidananda Shetty (the "**Petitioner**") filed a petition against the NHAI, MRM and others (the "**Respondents**") before the Civil Judge at Kundapura alleging that he was not given permission to cut teakwood trees by one of the Respondents. The Petitioner has stated that he entered into an agreement with the NHAI for taking away the salvage in the form of timber and fire wood of felled trees from k.m. 93.700 to k.m. 283.300 of NH 66. The Petitioner has also alleged that the Respondents have colluded with each other to cut and remove the teakwood trees in violation of the agreement. The Petitioner has requested the court to grant a permanent injunction restraining the Respondents from cutting and transporting the teakwood trees. The matter is currently pending.

3. Mr. Vithobha Ganesh Naik (the "**Petitioner**") has filed a suit against IWTL before the Principal Judge at Karwar, alleging that IWTL is encroaching upon the Petitioner's land to construct the highway. IWTL has received summons from the court. The matter is currently pending.

Udaipur Tollway Limited (UTL), Kishangarh Gulabpura Tollway Limited (KGTL) & CG Tollway Limited (CGTL)

a) UTL:

As per terms the Concession Agreement, UTL (Petitioner) is obligated to start the Premium Payment to NHAI (Respondent) upon the third anniversary of the Appointed Date whereas the schedule completion date was contracted as 2.5 years from the Appointed Date. Hence, once the construction is completed in 2.5 years, toll rates would have been revised and only after six months of such revision of toll rates UTL would have to start the Premium payment. However in the instant case, the scheduled completion dates have been revised by NHAI, primarily due to reasons attributable to them and the revised dates of completion now stands at 30.11.2020. The toll rates shall be revised only after 30.11.2020 and hence as per the intent of the contract conditions, premium payment should also commence only after six months of such revised dates of completion of the Project. However, NHAI addressed a letter to UTL instructing it to commence the Premium payment as per the original schedule and hence UTL was constrained to take legal recourse with respect to impugned instruction of NHAI. Accordingly, UTL has filed the writ petition in the Hon'ble High Court of Rajasthan, Jaipur Bench against this impugned instruction of NHAI. The Hon'ble High Court has admitted the petition and issued Notice to NHAI and has also stayed the operation of Clause 26.2.1 of the Concession agreement.

b) KGTL

As per terms of the Concession Agreement, KGTL (Petitioner) is obligated to start Premium Payment to NHAI (Respondent) upon the third anniversary of the Appointed Date whereas the schedule completion date was contracted as 2.5 years from the Appointed Date. Hence, once the construction is completed in 2.5 years, toll rates would have been revised and only after six months of such revision of toll rates would KGTL have to start the Premium payment. However in the instant case, the scheduled completion date have been revised by NHAI, primarily due to reasons attributable to them and the revised dates of completion now stands at 09.09.2021. The toll rates shall be revised only after 09.09.2021 and hence as per the intent of the contract conditions, premium payment should also commence only after six months of such revised dates of completion of the Project. However, NHAI addressed a letter to UTL instructing to commence the Premium payment as per the original schedule and hence KGTL was constrained to take legal recourse with respect to its project by filing Writ Petition since the issue is similar for all the Project of the company. Accordingly, KGTL has filed the writ petition in the Hon'ble High Court of Rajasthan, Jaipur Bench against this impugned instruction of NHAI. The Hon'ble High Court has admitted the petition and issued Notice to NHAI and has also stayed the operation of Clause 26.2.1 of the Concession Agreement.

c) CGTL:

As per terms the Concession Agreement, CGTL (Petitioner) is obligated to start the Premium Payment to NHAI (Respondent) upon the third anniversary of the Appointed Date whereas the schedule completion date was contracted as 2.5 years from the Appointed Date. Hence, once the construction is completed in 2.5 years, toll rates would have been revised and only after six months of such revision of toll rates CGTL would have to start the Premium payment. However in the instant case, the scheduled completion dates have been revised by NHAI, primarily due to reasons attributable to them and the revised dates of completion now stands at 31.01.2021. The toll rates shall be revised only after 31.01.2021 and hence as per the intent of the contract conditions, Premium payment should also commence only after six months of such revised dates of completion of the Project. However, NHAI has addressed a letter to UTL instructing to commence the Premium payment as per the original schedule and hence CGTL was constrained to take legal recourse with respect to impugned instruction of NHAI by filing the Writ Petition since the issue is similar for all the project of the company. Accordingly, CGTL has filed the petition in the Hon'ble High Court of Rajasthan, Jaipur Bench against this impugned instruction of NHAI. The Hon'ble High Court has admitted the petition and issued Notice to NHAI and has stayed the operation of Clause 26.2.1 of the Concession agreement.

Common details for UTL, KGTL & CGTL in relation to aforesaid details:

The judgment along with the rectification order was pronounced by the Hon'ble High Court of Rajasthan on 25/08/2021 & 26/08/2021 respectively.

The Hon'ble Court permitted Petitioner to invoke arbitration within 4 weeks and stayed the obligation of Premium payment for a limited period of three months from the date of this order subject to submission of undertakings by the Petitioners that in the event of Petitioner are unsuccessful in the arbitration. The disputed premium shall be with interest on the principle of 'premium deferment scheme' (referred in the Hon'ble Bombay High Court order dated 16/04/2019 in WP 3415/2019 upheld by the Hon'ble Supreme Court vide order dated 11/09/2019 dismissing SLP No 21315/2019 filed by NHAI).

The Petitioner was also directed to undertake that after appropriating the monthly liabilities sequentially towards taxes, payment towards construction, O&M Expenses and Debt Servicing in the order given un Article 31 of the CA, entire balance amount from the toll fee collected would be made available in the Escrow Account subject to the decision of Section 9/ 17 of the Arbitration & Conciliation Act, 1996. Petitioners filed undertakings on 31/08/2021.

Subsequently, Petitioners have filed Section 9 and Section 11 petitions under Indian Arbitration & Conciliation Act, 1996 before the Hon'ble Delhi High Court praying for extension of relief granted by the Hon'ble Rajasthan High Court till the conclusion of Arbitral Proceedings and requested the Court to appoint the Arbitral tribunal.

Section 11 judgement was pronounced on 28.11.2021 wherein the Court directed parties to nominate one Arbitrator each from the panel of SAROD having 89 Arbitrators (as per

Document-5) and the two so appointed shall appoint the third Arbitrator, strictly in terms spelt out in 44.3.2 of the Concession Agreement and the matter was dismissed. However, against the Section 11 judgment, the Petitioners filed SLP in the Hon'ble Supreme Court wherein the Court nominated the Hon'ble Mr. Justice J. Chelameswar, retired Judge of Supreme Court as the Presiding Arbitrator vide its order dated 17.02.2022 and the SLP was disposed off.

While Section 9 judgment was pronounced on 09.11.2021 wherein the Hon'ble Delhi High Court directed Petitioners to approach the Hon'ble Rajasthan High Court to seek further extension of relief sought earlier and the matter was disposed off. Subsequently, the Petitioners filed appeal against this judgment under Section 37 of the Arbitration and Conciliation Act 1996. The Court disposed off this matter and directed vide its order dated 16.03.2022 that the interim order shall continue till such time an application under Section 17 of the Arbitration & Conciliation Act, 1996, as may be moved by the parties before the learned Arbitral Tribunal.

Subsequently, the Arbitral Tribunal is constituted. CGTL, KGTL and UTL filed claims for an amount of approximately ₹5,021.2 million, ₹8,689.6 million and ₹9,060.8 million, respectively and an extension of the concession period by 241.37 days, 387.18 days and 214.99 days, respectively. CGTL, KGTL & UTL also filed application under Section 17 of the Arbitration and Conciliation Act which is yet not taken up for hearing. The arbitral proceedings are in progress and the matter is pending. The matter is currently pending.

Kaithal Tollway Limited (KTL)

1. Sirsa Eagle Cooperative Transport Society and another (the "Petitioners") filed a writ petition against the NHAI, KTL and others (the "Respondent") before the Punjab and Haryana High Court. The Petitioners have challenged the provisional certificate dated September 6, 2017 granted to KTL and the gazette notifications dated September 5, 2017 and September 6, 2017 for toll collection. The Petitioners have alleged that the construction of the project is yet to be completed and the collection of tolls is not in compliance with the relevant NHAI rules. The Petitioners have also made allegations in relation to exempting certain categories of entities from payment of toll. The Petitioners have requested the court to quash the toll collection notifications and to pass an order to frame a policy for local cooperative transport societies who transport local villagers on a no-cost basis. KTL has stated that the central government, through its notification dated September 5, 2017, has fixed the amount of toll fees which KTL was authorized collection for from the date of receiving either the completion certificate or the provisional certificate. KTL has also stated that it has completed 95% of the work and was permitted to start the collecting toll. The matter has been dismissed by the court for non joinder of necessary party.

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 Haryana who forcefully stopped the operation of the toll plazas in Haryana. KTL had notified this event as the Force Majeure under Indirect Political Event and submitted its claim for the period i.e. 25.12.2020 to 15.12.2021 amounting to Rs. 1001.0 Millions and consequent extension to Concession Period by 356 days in terms of Clause 34.7.2 (b) and 34.6.2 (b) of the Concession Agreement respectively. Subsequently, against the claim of Rs 1,001 million, Rs 584.8 million was released by NHAI on 10.10.2022 and NHAI also approved extension of Concession Period by 365 days. KTL disputed the balance claim amount and the Arbitration was re-invoked. This matter is clubbed with the Arbitration in relation to KTL's claim for compensation in terms of Article 35.2 and 35.3 and other Force Majeure provisions in terms of the Concession Agreement. The consolidated claims of KTL amounting to Rs. 2,880,7 million plus applicable interest along with the aggregate extension to Concession Period by 582.77 days. The arbitral proceedings are in progress and the matter is pending.

Solapur Yedeshi Tollway Limited (SYTL)

SYTL claimed NHAI for compensation as per Clause 35.2 and Clause 35.3 of the Concession Agreement on account of delays attributable to NHAI. Since the parties were unable to reach a settlement, SYTL invoked arbitration under its Concession Agreement and filed claims for compensation in terms of Clause 35.2 & 35.3 and other Force Majeure provisions under the Concession Agreement aggregating to an amount of approximately ₹7,905.3 million and an extension to the Concession Period by 647.43 days. The arbitral proceedings are in progress and the matter is currently pending.

INVESTMENT MANAGER

There are no outstanding material litigations and regulatory actions involving Investment Manager.

SPONSOR & ASSOCIATES

As per confirmation provided by the Sponsor/the Project Manager or their Associates, there are no material update on litigations & regulatory actions against them disclosed earlier and there are no additional material litigations or regulatory actions which may have bearing on their activities or revenues or cash flows.

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 CIBJL/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 Vince) 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 3rd March, 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 20th March, 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 & SRO 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 Rs. 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 30.09.2021 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 16.11.2021 for framing of Issues, 23.11.2021 for filing of list of witnesses ICGC ,SREI & ITSL, for filing of affidavit of evidence by SBI, 07.12.2021 for cross examination of witnesses of SBI, 14.12.2021 for filing of affidavit of evidence by ICGC/SREI /Trinity/ITSL and 21.12.2021 for cross examination of witnesses of Trinity and ITSL and 07.01.2022 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 30.06.2022 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 H 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 it's additional Written Statement on 12th August, 2022, The matter adjourned to 25th January, 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 23rd March, 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 t 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 18.04.2023. 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 10.09.2021, 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 23.12.2021 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 15th February, 2023 for hearing on Application by CCI for vacation of Stay. At the hearing held on 21st February,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 flied detailed application on 21st March, 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 Fade 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 Rs.1,05,50,902 against ITSL towards his investment. Hon'ble Bombay High Court vide their orders dated the 31.03.2022 read with the Order dated the 06.04.2022 and the order dated the 10.05.2022 directed ITSL to hold the meeting of debenture holders, ITSL convened a meeting of the debenture holders on 13.05.2022 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-I/Lidice 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 31St January,2023. The matter was part heard and thereafter adjourned.

   Arising out of SLP(C) 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 3rd March,2023 allowed the Resolution Plan filed by AIIL and directed AIIL to make the payments prior to 31St March, 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 Rs. 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. DIP III, IFS and the Trustee.

The Supreme Court of Mauritius vide its order dated the 3rd June, 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 3rd June,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 flied 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 19.12.2022. 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 19/05/2023.

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

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

I. 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.

II. 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 28th May,2022 lodged by the Petitioner with SEBI

III. 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 Rs.4.5 crore to the petitioner with respect to the NCDs issued by RHFL

IV. 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 Rs.4.5 crores with Prothonotary and Senior Master of the Court.

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

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 is comprised of unsecured, interest-free loans which will become interest-bearing at a future date in accordance with the respective Shareholder Loan Agreements. 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 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. The regulatory framework governing infrastructure investment trusts in India is still evolving and the interpretation and enforcement thereof involve uncertainties, which may have a material, adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to Unitholders.

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

5. Any default under the existing financing arrangements by any of the Project SPVs could adversely impact the Trust's ability to continue to own a majority of each of the Project SPVs, its cash flows and its ability to make distributions to Unitholders.

6. We have a limited operating history and may not be able to operate our business successfully or generate sufficient cash flows to make or sustain distributions.

7. The Portfolio Valuation Report, and any underlying reports, are not opinions on the commercial merits or financial condition of the Trust or the Project SPVs and the valuation contained in such Portfolio Valuation Report may not be indicative of the true value of the Project SPVs' assets.

8. We have referred to the data derived from Traffic Reports commissioned from the Traffic Consultant, which are based on certain bases, estimates and assumptions that are subjective in nature and may not be accurate.

Risks Related to Our Business and Industry

9. 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.

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

11. 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.

12. We may face limitations and risks associated with debt financing, refinancing and restrictions on investment.

13. Certain Project SPVs have experienced negative cash flows during the last three financial years.

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

15. Changes in the policies adopted by governmental entities or in the relationships of any member of the Trust and the Project SPVs with the Government of India or state governments could materially and adversely affect our business, financial performance and results of operations.

16. 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.

17. 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.

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

19. We depend on certain directors, executive officers and key employees of the Investment Manager and the Project Manager, 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 and the Project SPVs.

20. 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.

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

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

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

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. The Portfolio is 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. The Project SPVs' projects are geographically concentrated in Rajasthan and Maharashtra.

26. 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.

27. We may be unable to renew or maintain the statutory and regulatory permits and approvals required to operate the Portfolio.

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

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

30. 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.

31. Shares of the Project SPVs are pledged in favor of lenders, who may exercise their rights under the respective share pledge agreements in the event of default under relevant financing agreements.

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

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

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

34. The Sponsor is a listed company, operates other road assets and has sponsored another infrastructure investment trust ("Listed InvIT"), and anything that impacts the business, results of operations and trading price of the Sponsor's equity shares or the units of the Listed InvIT may have a material adverse effect on the Trust.

35. The Investment Manager may not be able to implement its capital and risk management strategies.

36. 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/Project Manager, the Investment Manager and the Trustee, which could result in the cancellation of the registration of the Trust.

37. 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 India

38. Changing laws, rules and regulations, including changes in legislation or the rules relating to tax regimes, legal uncertainties and the political situation in India may materially and adversely affect our business, financial condition and results of operations.

39. Significant increases in the price or shortages in the supply of crude oil and products derived therefrom, including petrol and diesel fuel, could materially and adversely affect the volume of traffic at the projects operated by the Project SPVs and the Indian economy in general, including the infrastructure sector.

40. Our business is dependent on economic growth in India and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have a material adverse effect on our business.

41. Any downgrading of India's sovereign debt rating by a domestic or international rating agency could materially and adversely affect our ability to obtain financing and, in turn, our business and financial performance.

42. Fluctuations in the exchange rate of the Indian Rupee with respect to the U.S. Dollar or other currencies will affect the foreign currency equivalent of the value of the Units and any distributions.

Risks Related to Ownership of the Units

43. It may not be possible for Unitholders to enforce foreign judgements.

44. The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.

45. The reporting requirements and other obligations of infrastructure investment trusts are still evolving. Accordingly, the level of ongoing disclosures made to and the protection granted to Unitholders may be more limited than those made to or available to the shareholders of a company in India.

46. The price of the Units may decline after the Listing.

47. Any future issuance of Units by us or sales of Units by the Sponsor or any of other significant Unitholders may dilute holding of other unitholders.

48. Our rights and the rights of the Unitholders to recover claims against the Investment Manager or the Trustee are limited.

49. Information and the other rights of Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.

Contact Persons of the Trust

Mr. Dhananjay Joshi
Chief Executive Officer

Ms. Shilpa Todankar
Chief Financial Officer

Mr. Kaustubh Shevade
Company Secretary & Compliance Officer

Registered Office and Contact Details of the Trust:
IRB Infrastructure Trust
Registered Office: Off No-11th Floor/1101 Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Powai Mumbai 400076

SEBI Registration Number: IN/InvIT/19-20/0012
Tel: +91 22 6640 4220/ 4053 6400
Fax: +91 22 6640 4274 / 4053 6699
E-mail: irbinfrastructuretrust@irb.co.in
website: www.irbinfratrust.co.in

Registered Office and Contact Details of the Investment Manager:

MMK Toll Road Private Limited
Registered Office: Off No-11th Floor/1101 Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Powai Mumbai 400076
Tel: +91 22 6640 4220/ 4053 6400
Fax: +91 22 6640 4274 / 4053 6699
E-mail: irbinfrastructuretrust@irb.co.in

Annexure A

Summary of Valuation Report

I. SUMMARY OF VALUATION

I. a) Background & Scope

The Investment Manager obtained full valuation report for the financial year ended March 31, 2023 from the Valuer i.e. Mr. Sunit Khandelwal (IBBI Registration No. IBBI/RV/05/2018/10426) .M/s. GMD Consultants - Technical Consultant have shared the Toll Revenue Projection Report for the Project SPVs.

The Valuer has provided necessary declarations and confirmations as required under Reg. 13 & Reg. 21 of SEBI InvIT Regulations, 2014.

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 of each SPV and adjusting with below the line items of the consolidated unaudited financials of the InvIT as on 31 March 2023. Enterprise Value of each SPV has been estimated using Discounted Cash Flows ("DCF") method under the Income Approach.

For the purpose of this valuation exercise, the Firm has been provided with the financial projections of the SPVs under Indian Accounting Standard (IND AS) by the management of Investment Manager of IRB Infrastructure Trust (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 10 SPVs as on the Valuation Date

Table 1.1: Fair Enterprise Value of all the 10 SPVs

as on the Valuation Date (INR Millions ("Mn"))

Name of the SPV	Fair Enterprise Value
AE Tollway Limited	31,500
CG Tollway Limited	28,338
IRB Hapur Moradabad Tollway Limited	41,868
IRB Westcoast Tollway Limited	35,698
Kaithal Tollway Limited	24,837
Kishangarh Gulabpura Tollway Limited	21,918
Solapur Yedeshi Tollway Limited	23,853
Udaipur Tollway Limited	26,618
Yedeshi Aurangabad Tollway Limited	41,431
Palsit Dankuni Tollway Private Limited	11,277
Total Fair Enterprise Value of all the 10 SPVs	**2,87,338**

The Fair Enterprise Value of all the 10 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 31 March 2023 to arrive at the Fair Value of the InvIT as on the Valuation Date.

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of IRB Infrastructure Trust

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Ind AS Financial Statements of IRB Infrastructure Trust ("the InvIT" or "the Trust"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows, the Standalone Statement of Changes in Unit Holders' Equity and the Standalone Statement of Net Assets at Fair value as at March 31, 2023 and the Standalone Statement of Total Returns at Fair Value and the Standalone 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 aforesaid 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 (together referred to as the "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the 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, as amended ("Ind AS") and other accounting principles generally accepted in India, of the State of Affairs of the Trust as at March 31, 2023, its profits and total comprehensive income, movement of Unit Holders' fund 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 flow 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 the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of this report. We are independent of the Trust in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the SEBI InvIT Regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 financial 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.

PARTICULARS	HOW THEY WERE ADDRESSED IN OUR AUDIT
1. **Loss on fair value measurement of other payable / deferred consideration payable to IRB Group.** Pursuant to settlement of IRB Infrastructure Trust by IRB Infrastructure Developers Limited (Sponsor), as a Private INVIT, the Trust has entered into Debt Novation Agreements (DNA). As per the terms of DNA, in consideration of assets taken over in 9 SPVs, Trust has issued units and agreed to transfer to the Sponsor, the claim amounts when and to the extent the same are eventually received by Project SPVs, on account of Sponsor Claims.	• We reviewed the Placement Memorandum filed with SEBI and the consequential legal documentation entered into by the Trust, including inter alia the Debt Novation Agreements and their reflection in the underlying SPVs. • We have reviewed the methodology adopted by the valuer in deriving the value including the assumptions made.

PARTICULARS	HOW THEY WERE ADDRESSED IN OUR AUDIT
Such Sponsor Claims shall be lodged after obtaining COD by respective SPVs. The amount realizable against claims has been estimated by the valuers appointed by the Management based on the weighted average of probabilities of realization of such claims. Based on the fair value of liability as estimated by the valuers, a resultant impact in the value of liability has been recognized under the head 'Loss on fair value measurement of other payable'.	• We assessed the estimates of Fair Value provided in the Valuation Report and realizability of claims as indicated therein. • We also reviewed the reasonableness of the variables applied in the said computation. • Based on the above, the fair value of liability to the Sponsor, as estimated by the valuer, taking into consideration the weighted average of probabilities of realization has been validated.
2. Impairment Testing The Group has toll collection rights as intangible assets pursuant to the concession agreement. The carrying value of these rights acquired under BOT basis is being compared to the recoverable value (which is value in use in the instant case) thereof to ascertain if there is any impairment. The process involves estimating the value in use of the asset which is determined by forecasting and discounting future cash flows. The same is sensitive to changes in discount rate, traffic growth rates, toll growth rates etc. The determination of the recoverable amount of the toll collection right involves significant judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these rights. Accordingly, the evaluation of impairment of toll collection rights has been determined as a Key Audit Matter.	• We evaluated management's assessment on impairment for intangible assets under development and intangible assets – toll collection rights by testing the assumptions and methodologies used by the Management. • Referred to valuation reports and Traffic Growth Study Reports and determined reasonableness of future toll revenue. • Evaluated the potential changes in major components as compared to previous year vis-à-vis actual performance in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • Assessed the appropriateness of the weighted average cost of capital used in determining recoverable amount. • Performed sensitivity analysis of key assumptions used in valuation. • Tested the arithmetical accuracy of the model.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Board of Directors of Investment Manager is responsible for the preparation of the other information. The other information comprises the information included in the Report of Investment Manager including annexures to Investment Manager's Report and other information as required to be given by SEBI InvIT Regulations, but does not include the standalone financial statements and our 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.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS OF INVESTMENT MANAGER FOR THE STANDALONE FINANCIAL STATEMENTS

The Board of Directors of Investment Manager is responsible for the preparation of these Standalone Financial Statements that give a true and fair view of the Standalone financial position as at 31 March 2023, financial performance including other comprehensive income, movement of Unit Holders' fund 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 flow of the trust for the year ended March 31, 2023 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified and/or any addendum thereto as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulation 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 of the InvIT Regulations for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

In preparing the Standalone Financial Statements, the Board of Directors of Investment Manager is responsible for assessing the Trust'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 the Board of Directors of Investment Manager either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of Investment Manager are also responsible for overseeing the Trust's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance whether the Standalone 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 control 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 Board of Directors of Investment Manager.
- Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of Investment Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 Trust 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 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 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 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 SEBI InvIT Regulations, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. The Balance Sheet and the Statement of Profit and Loss including other comprehensive income, dealt with by this Report are in agreement with the books of account of the Trust; and

c. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended.

For Gokhale & Sathe,
Chartered Accountants
Firm Registration No.: 103264W

CA Kaustubh Deshpande,
Partner
Membership No. 121011
UDIN: 23121011BGXXWA9139
Date: 12th May 2023
Place: Mumbai

IRB INFRASTRUCTURE TRUST

Balance Sheet

as at 31st March, 2023

(₹ in Millions)

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Financial assets	4		
i) Investments	4.1	94,424.44	90,929.80
ii) Loans	4.2	30,351.69	30,302.98
Total non-current assets		**1,24,776.13**	**1,21,232.78**
Current assets			
Financial assets	5		
i) Investments	5.1	20.08	20.04
ii) Cash and cash equivalents	5.2	6.56	0.25
iii) Loans	5.3	5,421.29	3,492.95
iv) Other financial assets	5.4	7,965.17	5,610.67
Other current assets	6	4.48	-
Total current assets		**13,417.58**	**9,123.92**
TOTAL ASSETS		**1,38,193.71**	**1,30,356.70**
EQUITY AND LIABILITIES			
Equity			
Unit capital	7	87,929.33	85,504.33
Other equity	8	9,526.42	5,992.74
Total unit holder's equity		**97,455.75**	**91,497.07**
(1) Non-current liabilities			
Financial liabilities			
i) Other financial liabilities	9	35,778.03	35,168.79
Total non-current liabilities		**35,778.03**	**35,168.79**
(2) Current liabilities			
Financial liabilities	10		
i) Borrowings	10.1	4,872.91	3,607.93
ii) Trade payables	10.2		
a) total outstanding dues of micro enterprises and small enterprises and small enterprises		0.01	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		81.34	81.71
Other current liabilities	11	5.67	1.20
Total current liabilities		**4,959.93**	**3,690.84**
Total liabilities		**40,737.96**	**38,859.63**
TOTAL EQUITY AND LIABILITIES		**1,38,193.71**	**1,30,356.70**
Summary of significant accounting policies	3		

See accompanying notes to the consolidated financial statements.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI Firm Registration Number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

For and on behalf of MMK Toll Road Private Limited
(Investment Manager of IRB Infrastructure Trust)

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place: Mumbai
Date : 12.05.2023

Place : Mumbai
Date : 12.05.2023

Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in Millions)

	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Other income	12	4,222.87	4,200.44
TOTAL INCOME		**4,222.87**	**4,200.44**
Expenses			
Investment Manager Fees		56.52	42.48
Other expenses	13	617.34	2,182.21
Total expenses		**673.86**	**2,224.69**
Profit before tax		**3,549.01**	**1,975.75**
Tax expenses			
Profit / (Loss) after tax (A)		**3,549.01**	**1,975.75**
Other comprehensive income / (loss) for the year (net of tax)			
Re-measurement gains/ (losses) on defined benefit plans (net of taxes)		-	-
Other comprehensive income/(loss) for the year (net of tax) (B)		**-**	**-**
Total comprehensive income for the year, net of tax : (A+B)		**3,549.01**	**1,975.75**
Earnings per unit	28		
Basic		4.04	2.34
Diluted		4.04	2.34
Summary of significant accounting policies	3		

See accompanying notes to the financial statements.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI Firm Registration Number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

Place: Mumbai
Date : 12.05.2023

For and on behalf of MMK Toll Road Private Limited
(Investment Manager of IRB Infrastructure Trust)

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

Statement of changes in Equity

for the year ended 31st March, 2023

(₹ in Millions)

	As at March 31, 2023	As at March 31, 2022
a. Unit Capital		
At the beginning of the year	**85,504.33**	**81,688.00**
Issued during the year	2,425.00	3,816.33
At the end of the year	**87,929.33**	**85,504.33**
b. Other Equity		
Retained earnings		
At the beginning of the year	5,992.74	4,020.25
Profit for the year	3,549.01	1,975.75
Unit issue expenses	(15.33)	(3.26)
At the end of the year	**9,526.42**	**5,992.74**
Summary of Significant accounting policies (refer note no.3)		

See accompanying notes to the financial statements.

As per our report of even date
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Place : Mumbai
Date : 12.05.2023

Disclosures Pursuant to Sebi Circulars

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016

A. Statement of Net Asset at Fair Value

Particulars	As at March 31, 2023		As at March 31, 2022	
	Book value	Fair value	Book value	Fair value
A. Assets	1,38,193.71	1,87,704.45	1,30,356.70	1,50,647.12
B. Liabilities (at book value)	40,737.96	4,959.93	38,859.63	3,690.84
C. Net Assets (A-B)	97,455.75	1,82,744.52	91,497.07	1,46,956.29
D. Number of units (in millions)	879.29	879.29	855.04	855.04
E. NAV (C/D) (Amount in ₹)	110.83	207.83	107.01	171.87

B. Statement of total returns at Fair Value

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)"	3,549.01	1,975.75
Add/(less): Other Changes in Fair Value	85,288.77	55,459.22
Comprehensive Income -	**88,837.78**	**57,434.97**

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 the InvIT Regulations.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI Firm Registration Number: 103264W

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Membership No.: 121011

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Place : Mumbai
Date : 12.05.2023

Cash Flow Statement

for the year ended 31st March, 2023

(₹ in Millions)

	For year ended March 31, 2023	For year ended March 31, 2022
Cash flow from operating activities		
Profit / (Loss) before tax	3,549.01	1,975.75
Adjustments to reconcile profit before tax to net cash flows:		
Fair value gain on investments	(0.18)	-
Profit on sale of investments	(0.92)	(0.40)
Fair value loss on measurement of other payable	560.53	2,161.31
Interest income on		
- Others	(4,221.77)	(4,200.00)
Operating profit/(loss) before working capital changes	**(113.33)**	**(63.33)**
Movement in working capital:		
Increase/(decrease) in trade payables	(0.36)	14.10
Increase/(decrease) in other financial liabilities	48.71	50.48
Increase/(decrease) in other current liabilities	4.48	(0.50)
(Increase)/decrease in Other current assets	(4.48)	0.03
(Increase)/decrease in loans	(1,928.34)	(1,682.67)
(Increase)/decrease in Other Financial assets	(229.72)	(0.89)
Cash generated from/(used in) operations	**(2,223.05)**	**(1,682.80)**
Direct taxes paid (net of refunds)	-	-
Net cash flows from/(used in) operating activities (A)	**(2,223.05)**	**(1,682.80)**
Cash flows from investing activities		
Investment in subsidiaries	(1,212.00)	(615.00)
Investment in sub debt of subsidiaries	(2,282.64)	(2,264.49)
Loan given to subsidiaries Long term	(48.71)	(48.71)
Interest received from related parties	2,097.00	825.00
Purchase of units of Mutual Fund	(302.98)	(383.38)
Proceeds on sale of units of Mutual Fund	304.04	413.74
Net cash flows from/(used in) investing activities (B)	**(1,445.29)**	**(2,072.84)**
Cash flow from financing activities		
Other Equity		
Proceeds from issuance of unit capital	2,425.00	3,816.33
Proceeds of curent borrowings	1,532.48	4,266.50
Repayment of curent borrowings	(267.50)	(4,336.33)
Unit Issue Expenses	(15.33)	(3.26)
Net cash flows from/(used in) financing activities (C)	**3,674.65**	**3,743.24**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**6.32**	**(12.40)**
Cash and cash equivalents at the beginning of the period	0.25	12.65
Cash and cash equivalents at the end of the period (refer 5.2)	**6.56**	**0.25**
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with scheduled banks		
- On Current Account	6.56	0.25
Total Cash and cash equivalents (refer note 5.2)	**6.56**	**0.25**

Debt reconciliation statement in accordance with Ind AS 7

(₹ in Millions)

	For year ended March 31, 2023	For year ended March 31, 2022
Opening balances		
Long term borrowings	-	-
Short term borrowings	3,607.93	3,677.76
Movements		
Long term borrowings	-	-
Short term borrowings	(1,264.98)	69.83
Closing balances		
Long term borrowings	-	-
Short term borrowings	4,872.91	3,607.93

Summary of significant accounting policies (refer note 3)

See accompanying notes to the 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
4. The cash flow statement 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 Gokhale & Sathe
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Partner
Membership No.: 121011

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For and on behalf of MMK Toll Road Private Limited
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Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No. CIR/IMD/DF/127/2016:

a) Net Distributable Cash Flows as at the Standalone Trust level

(₹ in Millions)

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)	2,097.00	825.00
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	0.92	0.40
4	Cash flows received from the project SPVs towards the repayment of the debt issued to the Project SPVs by the Trust (Net) (Refer note 2)	(1,928.34)	(1,682.67)
5	**Total cash inflow at the Trust level (A)**	**169.58**	**(857.27)**
	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	(113.33)	(63.38)
7	Income tax (if applicable) at the Standalone Trust Level	-	-
8	Repayment of external debt	-	-
9	**Total cash outflows / retention at the Trust level (B)**	**(113.33)**	**(63.38)**
10	**Net Distributable Cash Flows (C) = (A+B)**	**56.25**	**(920.65)**

The said amount would be utilised towards Capex in ongoing projects.

Notes:

1 Excludes interest due but not received of ₹ 2,124.77 millions and ₹ 3,375 Millions for the year ended March 31, 2023 and year ended March 31, 2022.

2 Netted - off with disbursement of short-term unsecured loan to project SPV.

Notes to financial statement

for the year ended March 31, 2023

1. Trust Information and Nature of Operations

IRB Infrastructure Trust (the "Trust") is a trust settled pursuant to the indenture of trust dated August 27, 2019 which is registered under Indian Trust Act, 1882 and under the Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time. The Trust is settled by the Sponsor, IRB Infrastructure Developers Limited ("IRB" or the "Sponsor"), an infrastructure development company in India. The Trustee to the Trust is IDBI Trusteeship Services Limited (the "Trustee"). Investment manager for the Trust is MMK Toll Road Private Limited (the "Investment Manager"). The Trust has received registration certificate from SEBI having registration number IN/InviT/19-20/0012.

The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. The Trust's road projects are eligible infrastructure projects under the InvIT Regulations and held through special purpose vehicles ("Project SPVs" together as "Project SPV Group"). The Trust's portfolio comprises of ten road projects as listed below:-

The Trust had acquired the projects at Sr no 1 to 9 from the Sponsor which are road infrastructure projects developed on DBFOT basis. The SPV at Sr. no 10 has been added to portfolio from 02.04.2022.

Sr. No.	Project SPV Name
1	AE Tollway Limited (AETL)
2	CG Tollway Limited (CGTL)
3	IRB Hapur Moradabad Tollway Limited (IRBHMTL)
4	IRB Westcoast Tollway Limited (IRBWTL)
5	Kishangarh Gulabpura Tollway Limited (KGTL)
6	Kaithal Tollway Limited (KTL)
7	Solapur Yedeshi Tollway Limited (SYTL)
8	Udaipur Tollway Limited (UTL)
9	Yedeshi Aurangabad Tollway Limited (YATL)
10	Palsit Dankuni Tollway Private Limited(PDTPL) (w.e.f. 02.04.2022)

The registered office of the Investment Manager is Off No-11th Floor/1101 Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Powai Mumbai 400076.

The financial statements were authorised for issue in accordance with resolution passed by the board of directors of the Investment manager on May 12, 2023.

The Trust has been listed on NSE w.e.f. 03.04.2023

2. Basis of preparation

The financial statements of IRB Infrastructure Trust 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 Trust and all values are rounded to the nearest millions, except when otherwise indicated. Wherever the amount represented '0' (zero) construes value less than Rupees five thousand.

3. Summary of significant accounting policies

3.1. 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.

3.2. Current versus non-current classification

The Trust 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.

Notes to financial statement

for the year ended March 31, 2023

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 respectively.

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

3.3. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust 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, 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 Trust's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.4. 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 Trust 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:

Notes to financial statement

for the year ended March 31, 2023

- 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 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.

3.5. Goods and Services Tax (GST) 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.

3.6. 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 Trusts. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.7. Provisions

Provisions are recognised when the Trust 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 Trust 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.

3.8. 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 Trust 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 Trust does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset 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.

Notes to financial statement

for the year ended March 31, 2023

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

3.9. 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 Trust 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 Trust. 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 Trust has investment in Debt oriented mutual Trust which are held for trading, are classified as at FVTPL. The Trust 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 is primarily derecognised (i.e. removed from the Trust's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Trust 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 Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust 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 Trust continues to recognise the transferred asset to the extent of the Trust's continuing involvement. In that case, the Trust 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 Trust has retained.

Notes to financial statement

for the year ended March 31, 2023

3.10. 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 Trust 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.

Impairment of non-financial assets

The Trust 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 Trust 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 Trust'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 Trust's financial liabilities include trade and other payables, loans and borrowings.

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 Trust 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 Trust. 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.

Notes to financial statement

for the year ended March 31, 2023

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 Trust's financial statements are presented in INR, which is also the Trust's functional currency. The Trust 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 Trust 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 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 Trust 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 Trust.

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 Trust 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 Trust 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 Trust'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 Trust'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 Trust's independent auditors. This

Notes to financial statement

for the year ended March 31, 2023

includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Trust 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 28)
- Financial instruments (including those carried at amortised cost) (note 24 and 25)
- Quantitative disclosure of fair value measurement hierarchy (note 24 and 25)

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 Trust 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 Trust'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 period are adjusted for the effects of all dilutive potential units.

3.17 Segment Information

The Trust 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 Trust's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

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: Disclosure of Material Accounting policy information and similar consequential amendment to Ind AS 34.

Ind AS 1: Disclosure of the judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Ind AS 8: Definition of Accounting Estimate as "Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty". Further amendments to paragraphs delineating Changes to Accounting Estimates.

Ind AS 12: Amendments to taxable temporary difference, initial recognition of asset or liability and Deductible taxable differences.

Ind AS 12: Deferred tax related to assets and liabilities arising from Single Transaction.

Ind AS 107: Information about measurement basis (or bases) for financial instruments to be disclosed as material accounting policy.

Ind AS 109: Amendment to paragraph on reassessment of embedded derivative.

Ind AS 115: Amendments to Appendix 1 which gives there in the major differences, if any, between Indian Accounting Standard (Ind AS) 115 and the corresponding International Financial Reporting Standard (IFRS) 15, Revenue from Contracts with Customers, IFRIC 12, Service Concession Arrangements and SIC 29 Service Concession Arrangements: Disclosures, issued by the International Accounting Standards Board

Notes to financial statement

for the year ended March 31, 2023

Note 4 : Financial assets (Non-current)

4.1 Investments

A) Investments at cost

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments of subsidiaries (unquoted)		
436,500,000 equity shares of AE Tollway Limited	4,365.00	4,365.00
203,500,000 equity shares of CG Tollway Limited	2,035.00	2,035.00
371,500,000 equity shares of IRB Hapur Moradabad Tollway Limited	3,715.00	3,715.00
174,194,303 equity shares of IRB Westcoast Tollway Limited	1,741.94	1,741.94
155,500,000 equity shares of Kishangarh Gulabpura Tollway Limited	1,555.00	1,555.00
328,000,000 equity shares of Kaithal Tollway Limited	3,280.00	3,280.00
98,250,000 equity shares of Solapur Yedeshi Tollway Limited	982.50	982.50
116,800,000 equity shares of Udaipur Tollway Limited	1,168.00	1,168.00
215,757,001 equity shares of Yedeshi Aurangabad Tollway Limited	2,157.57	2,157.57
121,200,000 equity shares of Palshit Dankuni Tollway Private Limited	1,212.00	-
Investments in subsidiaries (unquoted)	**22,212.01**	**21,000.01**
Other equity instruments (unquoted) (FVTOCI)		
B) Investments at cost		
B) Investments in sub debt of subsidiaries (unquoted)		
AE Tollway Limited	10,265.88	10,265.88
CG Tollway Limited	2,727.80	2,727.80
IRB Hapur Moradabad Tollway Limited	9,798.52	9,414.76
IRB Westcoast Tollway Limited	12,203.92	12,203.92
Kishangarh Gulabpura Tollway Limited	2,495.38	1,809.50
Kaithal Tollway Private Limited	4,426.04	4,426.04
Solapur Yedeshi Tollway Limited	4,423.70	4,423.70
Udaipur Tollway Limited	8,338.40	8,338.40
Yedeshi Aurangabad Tollway Limited	16,319.79	16,319.79
Palshit Dankuni Tollway Private Limited	1,213.00	-
Subordinated Debt to Related parties (Interest free)	**72,212.43**	**69,929.79**
Total non-current investments (A + B)	**94,424.44**	**90,929.80**
Aggregate amount of unquoted investments	**94,424.44**	**90,929.80**

4.2 Loans

(Unsecured, considered good, unless otherwise stated)

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
AE Tollway Limited	9,528.41	9,528.41
IRB Westcoast Tollway Limited	4,000.00	4,000.00
Kaithal Tollway Limited	8,471.59	8,471.59
Solapur Yedeshi Tollway Limited	4,000.00	4,000.00
Yedeshi Aurangabad Tollway Limited	4,000.00	4,000.00
Less: Current maturities of loan to related parties	-	-
- Interest free	-	-
Kaithal Tollway Limited	351.69	302.98
Total	**30,351.69**	**30,302.98**

Notes to financial statement

for the year ended March 31, 2023

Note 5 : Financial assets (current)

5.1 Investments

Investments at fair value through Profit & Loss

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in mutual fund (quoted)		
Investments in Mutual Funds (quoted) (FVTPL)	20.08	20.04
(SBI Liquid Fund Direct Growth - March 31,2023 - 3333.09 units)		
	20.08	**20.04**

5.2 Cash and cash equivalent

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
- In current accounts	6.56	0.25
	6.56	**0.25**

5.3 Loans

(Secured, considered good, unless otherwise stated)

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Loans to related parties		
AE Tollway Limited	478.89	478.89
IRB Hapur Moradabad Tollway Limited	-	37.26
IRB Westcoast Tollway Limited	2,348.08	1,116.98
Kaithal Tollway Limited	156.71	681.81
Solapur Yedeshi Tollway Limited	24.00	24.00
Udaipur Tollway Limited	1,335.31	214.41
CG Tollway Limited	558.50	316.30
Kishangarh Gulabpura Tollway Limited	-	106.00
Yedeshi Aurangabad Tollway Limited	519.80	517.30
	5,421.29	**3,492.95**

5.4 Other financial assets

(Unsecured, considered good, unless otherwise stated)

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest receivable from others	7,681.04	5,556.27
Other receivables		
- related parties	284.13	54.40
	7,965.17	**5,610.67**

Notes to financial statement

for the year ended March 31, 2023

Note 6 : Other current assets

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Duties and taxes receivable	3.30	-
Prepaid expenses	1.18	-
Total	**4.48**	**-**

Note 7 : Equity

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Unit capital		
a. Issued, subscribed and fully paid up Unit Capital		
Unit capital of Rs. 100 each issued, subscribed and fully paid up		
At the beginning the year	85,504.33	81,688.00
Issued during the year	2,425.00	3,816.33
At the end of the year	**87,929.33**	**85,504.33**

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 Millions	No. of units	Amount in Millions
At the beginning of the year	85,50,43,265	85,504.33	81,68,80,000	81,688.00
Issued during the year	2,42,50,000	2,425.00	3,81,63,265	3,816.33
At the end of the year	87,92,93,265	87,929.33	85,50,43,265	85,504.33

III. Details of Promoter

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units	%	No. of units	%
IRB Infrastructure Developers Limited	44,84,39,840	51%	43,60,72,332	51%
Anahera Investments Pte Ltd	21,98,23,181	25%	21,37,60,685	25%
Bricklayers Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%
Chiswick Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%
Stretford End Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%
Dangenham Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%
Total	**87,92,93,265**	**100%**	**85,50,43,265**	**100%**

Note : 8 Other Equity

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings		
At the beginning of the year	5,992.74	4,020.25
Profit/(loss) for the year	3,549.01	1,975.75
Unit issue expenses	(15.33)	(3.26)
Total Other Equity	**9,526.42**	**5,992.74**

Notes to financial statement

for the year ended March 31, 2023

Note 9 : Other financial liabilities

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Payable		
- related party	35,778.03	35,168.79
Total	**35,778.03**	**35,168.79**

Note 10 : Current financial liabilities

10.1 Borrowing

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured loan		
Loan from related parties		
- Interest free	4,872.91	3,607.93
Total	**4,872.91**	**3,607.93**

10.2 Trade Payables

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
a) total outstanding dues of micro enterprises and small enterprises	0.01	-
b) Total outstanding dues of creditors other than micro and small enterprises		
- related parties	78.54	80.31
- others	2.80	1.40
Total	**81.35**	**81.71**

Note 11 : Other current liabilities

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable (including PF, TDS, GST & others)	5.67	1.20
Total	**5.67**	**1.20**

Note 12 : Other income

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on		
Interest income from Related parties	4,221.77	4,200.00
Gain on sale of investment	0.92	0.40
Fair value gain on investments	0.18	0.04
Total	**4,222.87**	**4,200.44**

Notes to financial statement

for the year ended March 31, 2023

Note 13 : Other expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates & taxes	0.60	4.73
Legal and professional fees	54.19	15.49
Payment to auditor (refer note below)	1.63	0.64
Bank charges	0.03	0.03
Miscellaneous expenses	0.36	-
Fair value loss on measurement of other payable	560.53	2,161.31
	617.34	**2,182.21**
Payment to auditor		
- Statutory audit fees	0.29	0.27
Special audit fees	0.80	-
- Limited review fees	0.42	0.36
- Other services (certification fees)	0.42	-
Reimbursement of expenses	0.09	0.01
	2.03	**0.64**

Note 14 : Earnings per unit (EPU)

The following reflects the income and unit data used in the basic and diluted EPU computations:

(₹ in Millions)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to unit holders of the Trust for basic & diluted earnings	3,549.01	1,975.75
Weighted average number of unit for basic & diluted EPU* (in Millions)	87,79,64,498	84,29,14,666
Basic earning per unit (Amount in ₹)	4.04	2.34
Diluted earning per unit (Amount in ₹)	4.04	2.34

Note 15 : Capital and other commitments

There are no capital and other commitments as at March 31, 2023. (As on 31.03.2022 Nil)

Note 16 :Contingent liabilities

The Trust has provided Corporate guarantee for the subsidiary companies i.e. SYTL and YATL in respect of the NCDs issued during the FY 2022-23.. (As on 31.03.2022 Nil)

Note 17 : 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 Trust.

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to any supplier as at the period end	0.01	-
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	-	-

Notes to financial statement

for the year ended March 31, 2023

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
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	-	-

a) MSME ageing schedule as at

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
MSME disputed Dues	-	-
MSME Undisputed Dues	-	-
Less than 1 year	0.01	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total dues to micro and small enterprises as per MSMED Act, 2006	**0.01**	**-**

b) Ageing of creditors other than micro enterprises and small enterprises as at

(₹ in Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
disputed Dues		
Undisputed Dues		
Less than 1 year	50.56	35.28
1-2 Years	30.78	46.43
2-3 Years		
More than 3 years		
Total dues to creditors other than micro enterprises and small enterprises as at	**81.34**	**81.71**
b) out of the above unbilled amount	**0.27**	**0.87**

Note 18 : Operating segment

The Trust 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 Trust's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

Note 19 : 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 does not have any transactions with companies struck off.

iv) The Trust does not have 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 did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

vi) The Trust has not declared a wilfull defaulter by any bank / financial institution or any other lender during the year.

Notes to financial statement

for the year ended March 31, 2023

Note 20 : Loans or advances to specified persons

(₹ in Millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount outstanding*	% of Total ^	Amount outstanding*	% of Total ^
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	35,772.98	100%	33,795.94	100%
Total aggregate loans	**35,772.98**	**100%**	**33,795.94**	**100%**

* represents loan or advance in the nature of loan

^ represents percentage to the total Loans and Advances in the nature of loan

Note 21 : Particulars in respect of loans and advances in the nature of loans given to subsidiaries as required by Regulation 53(f) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

(₹ in Millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Balances outstanding	Maximum balance Outstanding during the year	Amount outstanding*	Maximum balance Outstanding during year
AE Tollway Limited	10,007.30	10,007.30	10,007.30	10,007.30
Kaithal Tollway Limited	8,979.99	9,456.38	9,456.38	9,456.38
Kishangarh Gulabpura Tollway Limited	-	106.00	106.00	106.00
Udaipur Tollway Limited	1,335.31	1,335.31	214.41	214.41
CG Tollway Limited	558.50	558.50	316.30	316.30
IRB Hapur Muradabad Tollway Limited	-	-	37.26	37.26
IRB Westcoast Tollway Limited	6,348.08	6,348.08	5,116.98	5,116.98
Solapur Yedeshi Tollway Limited	4,024.00	4,024.00	4,024.00	4,024.00
Yedeshi Aurangabad Tollway Limited	4,519.80	4,519.80	4,517.30	4,517.30

Note 22 : Basis of preparation of financial statements

The Trust has presented these standalone financial information (for all the periods presented there in) in accordance with the requirement of SEBI (Infrastructure Investment Trusts) Regulations, 2014.

Note 23 : Related party transaction

I. List of Related Parties

i. Subsidiaries/ SPVs	AE Tollway Limited
	CG Tollway Limited
	Hapur Muradabad Tollway Limited
	IRB Westcoast Tollway Limited
	Kishangarh Gulabpura Tollway Limited
	Kaithal Tollway Private Limited
	Solapur Yedeshi Tollway Limited
	Udaipur Tollway Limited
	Yedeshi Aurangabad Tollway Limited
	Palsit Dankuni Tollway Private Limited
ii. Parties to the Fund *	IRB Infrastructure Developers Limited (Sponsor and Project Manager)
	MMK Toll Road Private Limited (Investment Manager)
	IDBI Trusteeship Services Limited (Trustee of the IRB Infrastructure Trust)

Notes to financial statement

for the year ended March 31, 2023

iii. Subsidiaries Company of Sponsor and Project Manager	Mhaiskar Infrastructure Private Limited
	Modern Road Makers Private Limited
	IRB Goa Tollway private Limited

*As per Invit Regulation

iii. Promoters/ Directors of the parties to the Fund specified in (ii) above

Particulars	IRB Infrastructure Developers Limited (Sponsor and Project Manage)	MMK Toll Road Private Limited (Investment Manager)	IDBI Trusteeship Services Limited (Trustee of the IRB Infrastructure Trust)
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, Chairman and Managing Director	Virendra D Mhaiskar	Mr. Samuel Joseph Jebaraj
	Mrs. Deepali V. Mhaiskar, Whole Time Director	Mr. Kunnasagaran Chinniah	Mr. Pradeep Kumar Jain
	Mr. Jose Tamariz Martel Goncer		Mrs. Jayashree Vijay Ranade
	Mr. Ravindra Dhariwal		Mr. Pradeep Kumar Malhotra
			Ms. Baljinder Kaur Mandal
	Independent directors	**Independent directors**	
	Mr. Chandrashekhar S. Kaptan	K G Krishnamurthy	
	Mr. Sunil H. Talati	Ranjana Paranjape	
	Mr. Sandeep J. Shah		
	Ms. Priti Savla, Independent Director (wef February 10, 2022)		
	Mrs. Heena Raja, Independent Director (utpo February 10, 2022)		
Associates	**A) Holding Company of Sponsor / Project Manager**		
	IRB Holding Private Limited (Formerly Mhaiskar Ventures Private Limited)		
	B) Subsidiary Companies of Sponsor / Project Manager		
	Ideal Road Builders Private Limited (IRBPL)		
	Mhaiskar Infrastructure Private Limited (MIPL)		
	Modern Road Makers Private Limited (MRMPL)		
	Aryan Toll Road Private Limited (ATRPL)		
	ATR Infrastructure Private Limited (ATRFL)		
	IRB Infrastructure Private Limited (IRBFL)		
	Thane Ghodbunder Toll Road Private Limited (TGTRPL)		
	Aryan Infrastructure Investments Private Limited (AIIPL)		
	IRB MP Expressway Private Limited		
	MMK Toll Road Private Limited (MMK) - Entity with Joint Control		
	IRB Kolhapur Integrated Road Development Company Private Limited (IRBK)		
	Aryan Hospitality Private Limited (AHPL)		
	IRB Sindhudurg Airport Private Limited (IRBSA)		
	IRB Goa Tollway Private Limited (IRB Goa)		
	IRB PS Highway Private Limited (IRBPS)		
	IRB Ahmedabad Vadodara Super Express Tollway Private Limited (IRBAV)		
	MRM Mining Private Limited (Subsidiary of MRMPL)		
	GE1 Expressway Private Limited (Formerly known as IRB PP Project Private Limited)		
	VK1 Expressway Private Limited (VK1) - Upto October 12, 2022		
	IRB Infrastructure Trust - Entity with Joint Control		
	VM7 Expressway Private Limited		

Notes to financial statement

for the year ended March 31, 2023

	Palsit Dankuni Tollway Private Limited - Upto April 1, 2022
	Pathankot Mandi Highway Private Limited
	Chittoor Thachur Highway Private Limited
	Meerut Budaun Expressway Limited - Subsidiary upto October 14, 2022 and Entity with Joint Control w.e.f. October 15,2022
	Samakhiyali Tollway Private Limited w.e.f 14.03.2023
	C) Other Associate Companies of Sponsor / Project Manager
	1. Virendra D. Mhaiskar (HUF)
	2. VCR Toll Services Private Limited
	3. VDM Ventures Private Limited
	4. DEUX Farming Films Private Limited
	5. IRB Charitable Foundation
	Key Managerial personnel of Project SPV Group (Only with whom Project SPV Group had transactions during the year/ there was balance outstanding at the year end)
	1. Ms. Shilpa Todankar
	2. Mr. Abhay Phatak (w.e.f. March 09, 2022)
	3. Mr. Darshan Sangurdekar
	4. Mr. Omprakash Singh
	5. Mr. Chandrashekhar Kaptan
	6. Mrs. Ranjana Paranjape (w.e.f October 06, 2021)
	7. Mrs. Arati Taskar
	8. Mr. Sudhir Rao Hoshing
	9. Mr. Amitabh Murarka
	10. Mr. Jitendra Sharma (upto February 28, 2022)
	11. Mrs. Heena Raja (upto October 01, 2021)

II) Related party transaction during the year

(₹ in Millions)

Sr. No.	Particulars	Relation	Year ended March 31, 2023	Year ended March 31, 2022
1	**Equity Investment**		**1,212.00**	**615.00**
	IRB Hapur Muradabad Tollway Limited	Subsidiary	-	615.00
	Palshit Dankuni Tollway Private Limited	Subsidiary	1,212.00	-
2	**Subordinated Debt**		**2,282.64**	**2,264.49**
	CG Tollway Limited	Subsidiary	-	240.30
	IRB Hapur Muradabad Tollway Limited	Subsidiary	383.76	1,765.00
	IRB Westcoast Tollway Limited	Subsidiary	-	-
	Kishangarh Gulabpura Tollway Limited	Subsidiary	685.88	-
	Udaipur Tollway Limited	Subsidiary	-	259.19
	Palshit Dankuni Tollway Private Limited	Subsidiary	1,213.00	-
3	**Long term loan (Interest free)**		**48.71**	**48.71**
	Kaithal Tollway Limited	Subsidiary	48.71	48.71
4	**Short Term Loan given**		**2,643.20**	**1,682.67**
	AE Tollway Limited	Subsidiary	-	231.30
	IRB Hapur Muradabad Tollway Limited	Subsidiary	46.50	33.76
	IRB Westcoast Tollway Limited	Subsidiary	1,231.10	158.00
	Kaithal Tollway Limited	Subsidiary	-	502.40
	Solapur Yedeshi Tollway Limited	Subsidiary	-	4.00
	Udaipur Tollway Limited	Subsidiary	1,120.90	214.41
	CG Tollway Limited	Subsidiary	242.20	314.30
	Kishangarh Gulabpura Tollway Limited	Subsidiary	-	76.00
	Yedeshi Aurangabad Tollway Limited	Subsidiary	2.50	148.50

Notes to financial statement

for the year ended March 31, 2023

Sr. No.	Particulars	Relation	Year ended March 31, 2023	Year ended March 31, 2022
5	**Short Term Loan repaid**		**525.10**	**-**
	IRB Hapur Muradabad Tollway Limited	Subsidiary	-	-
	Kaithal Tollway Limited	Subsidiary	525.10	-
	Kishangarh Gulabpura Tollway Limited	Subsidiary	-	-
6	**Unit Capital Issued**		**1,236.75**	**1,946.33**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	1,236.75	1,946.33
7	**Interest income**		**4,221.77**	**4,200.00**
	Solapur Yedeshi Tollway Limited	Subsidiary	560.00	560.00
	Yedeshi Aurangabad Tollway Limited	Subsidiary	581.77	560.00
	Kaithal Tollway Limited	Subsidiary	1,186.02	1,186.02
	IRB Westcoast Tollway Limited	Subsidiary	560.00	560.00
	AE Tollway Limited	Subsidiary	1,333.98	1,333.98
8	**Inestment Management Fees**		**56.52**	**42.48**
	MMK Toll Road Pvt Limited	Investment Manager	56.52	42.48
9	**Expenses incurred on behalf of others**		**358.05**	**0.89**
	AE Tollway Limited	Subsidiary	1.11	-
	CG Tollway Limited	Subsidiary	48.45	-
	Kishangarh Gulabpura Tollway Limited	Subsidiary	194.00	-
	IRB Hapur Muradabad Tollway Limited	Subsidiary	32.63	-
	IRB Westcoast Tollway Limited	Subsidiary	7.61	-
	Udaipur Tollway Limited	Subsidiary	16.08	0.89
	Solapur Yedeshi Tollway Limited	Subsidiary	3.78	-
	Yedeshi Aurangabad Tollway Limited	Subsidiary	8.69	-
	Kaithal Tollway Limited	Subsidiary	0.01	-
	Palsit Dankuni Tollway Private Limited	Subsidiary	45.60	-
	MMK Toll Road Pvt Limited	Investment Manager	0.08	-
10	**Reimbursement received on expenses incurred on behalf of others**	-	**128.32**	**-**
	AE Tollway Limited	Subsidiary	1.10	
	CG Tollway Limited	Subsidiary	1.10	
	Kishangarh Gulabpura Tollway Limited	Subsidiary	22.68	
	IRB Hapur Muradabad Tollway Limited	Subsidiary	9.73	
	IRB Westcoast Tollway Limited	Subsidiary	7.77	
	Udaipur Tollway Limited	Subsidiary	2.95	
	Solapur Yedeshi Tollway Limited	Subsidiary	27.89	
	Yedeshi Aurangabad Tollway Limited	Subsidiary	11.02	
	Kaithal Tollway Limited	Subsidiary	0.01	
	Palsit Dankuni Tollway Private Limited	Subsidiary	44.06	
11	**Unsecured Loan received**		**1,532.48**	**4,759.00**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	1,532.48	4,759.00
12	**Unsecured Loan paid**		**267.50**	**4,828.83**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	267.50	4,828.83
13	**Expenses incurred on our behalf of (reimbursement)**		**-**	**1.77**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	-	1.77

Notes to financial statement

for the year ended March 31, 2023

Sr. No.	Particulars	Relation	Year ended March 31, 2023	Year ended March 31, 2022
14	**Other Payable**		**609.23**	**2,210.02**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	560.52	2,161.31
	Mhaiskar Infrastructure Private Limited	Subsidiaries Company of Sponsor and Project Manager	48.71	48.71
15	**Trustee Fees**		**2.53**	**0.38**
	IDBI Trusteeship Services Limited	Trustee	2.53	0.38

III) Related party outstanding balances

(₹ in Millions)

Sr. No.	Particulars	Relation	As on March 31,2023	As on March 31,2022
1	**Equity Investment**		**22,212.01**	**21,000.01**
	AE Tollway Limited	Subsidiary	4,365.00	4,365.00
	CG Tollway Limited	Subsidiary	2,035.00	2,035.00
	IRB Hapur Muradabad Tollway Limited	Subsidiary	3,715.00	3,715.00
	IRB Westcoast Tollway Limited	Subsidiary	1,741.94	1,741.94
	Kishangarh Gulabpura Tollway Limited	Subsidiary	1,555.00	1,555.00
	Kaithal Tollway Limited	Subsidiary	3,280.00	3,280.00
	Solapur Yedeshi Tollway Limited	Subsidiary	982.50	982.50
	Udaipur Tollway Limited	Subsidiary	1,168.00	1,168.00
	Yedeshi Aurangabad Tollway Limited	Subsidiary	2,157.57	2,157.57
	Palshit Dankuni Tollway Private Limited	Subsidiary	1,212.00	-
2	**Subordinated Debt**		**72,212.43**	**69,929.79**
	AE Tollway Limited	Subsidiary	10,265.88	10,265.88
	CG Tollway Limited	Subsidiary	2,727.80	2,727.80
	IRB Hapur Muradabad Tollway Limited	Subsidiary	9,798.52	9,414.76
	IRB Westcoast Tollway Limited	Subsidiary	12,203.92	12,203.92
	Kishangarh Gulabpura Tollway Limited	Subsidiary	2,495.38	1,809.50
	Kaithal Tollway Limited	Subsidiary	4,426.04	4,426.04
	Solapur Yedeshi Tollway Limited	Subsidiary	4,423.70	4,423.70
	Udaipur Tollway Limited	Subsidiary	8,338.40	8,338.40
	Yedeshi Aurangabad Tollway Limited	Subsidiary	16,319.79	16,319.79
	Palshit Dankuni Tollway Private Limited	Subsidiary	1,213.00	-
3	**Long term loan (Interest bearing)**		**30,000.00**	**30,000.00**
	AE Tollway Limited	Subsidiary	9,528.41	9,528.41
	IRB Westcoast Tollway Limited	Subsidiary	4,000.00	4,000.00
	Kaithal Tollway Limited	Subsidiary	8,471.59	8,471.59
	Solapur Yedeshi Tollway Limited	Subsidiary	4,000.00	4,000.00
	Yedeshi Aurangabad Tollway Limited	Subsidiary	4,000.00	4,000.00
4	**Long term loan (Interest free)**		**351.69**	**302.98**
	Kaithal Tollway Limited	Subsidiary	351.69	302.98
5	**Short Term Loan**		**5,421.29**	**3,492.95**
	AE Tollway Limited	Subsidiary	478.89	478.89
	IRB Hapur Muradabad Tollway Limited	Subsidiary	-	37.26
	IRB Westcoast Tollway Limited	Subsidiary	2,348.08	1,116.98
	Kaithal Tollway Limited	Subsidiary	156.71	681.81
	Solapur Yedeshi Tollway Limited	Subsidiary	24.00	24.00
	Udaipur Tollway Limited	Subsidiary	1,335.31	214.41

Notes to financial statement

for the year ended March 31, 2023

Sr. No.	Particulars	Relation	As on March 31,2023	As on March 31,2022
	Yedeshi Aurangabad Tollway Limited	Subsidiary	519.80	517.30
	CG Tollway Limited	Subsidiary	558.50	316.30
	Kishangarh Gulabpura Tollway Limited	Subsidiary	-	106.00
6	**Other Payable**		**35,776.26**	**35,167.02**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	32,095.57	31,535.05
	Mhaiskar Infrastructure Private Limited	Subsidiaries Company of Sponsor and Project Manager	351.69	302.98
	Modern Road Makers Private Limited	Subsidiaries Company of Sponsor and Project Manager	1,784.13	1,784.13
	IRB Goa Tollway private Limited	Subsidiaries Company of Sponsor and Project Manager	1,544.86	1,544.86
7	**Other payable (Reimbursement of Expenses incurred on our behalf)**		**1.77**	**1.77**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	1.77	1.77
8	**Other Receivable**		**284.05**	**54.41**
	Solapur Yedeshi Tollway Limited	Subsidiary	4.89	29.00
	Yedeshi Aurangabad Tollway Limited	Subsidiary	8.17	10.50
	IRB Westcoast Tollway Limited	Subsidiary	13.76	13.92
	Udaipur Tollway Limited	Subsidiary	14.11	0.99
	AE Tollway Limited	Subsidiary	0.01	-
	CG Tollway Limited	Subsidiary	47.35	-
	Kishangarh Gulabpura Tollway Limited	Subsidiary	171.32	-
	IRB Hapur Moradabad Tollway Limited	Subsidiary	22.90	-
	Kaithal Tollway Limited	Subsidiary	0.00	-
	Palshit Dankuni Tollway Private Limited	Subsidiary	1.54	-
	MMK Toll Road Private Limited	Investment Manager	0.08	
9	**Interest Receivable**		**7,681.04**	**5,556.27**
	Solapur Yedeshi Tollway Limited	Subsidiary	539.90	547.40
	Yedeshi Aurangabad Tollway Limited	Subsidiary	485.27	636.00
	Kaithal Tollway Limited	Subsidiary	2,112.74	1,693.72
	IRB Westcoast Tollway Limited	Subsidiary	1,552.00	992.00
	AE Tollway Limited	Subsidiary	2,991.13	1,687.16
10	**Trade payable**		**78.54**	**80.31**
	MMK Toll Road Pvt Limited	Investment Manager	78.54	80.31
11	**Unsecured Loan / other payable**		**4,872.91**	**3,607.93**
	IRB Infrastructure Developers Limited	Sponsor and Project Manager	4,872.91	3,607.93

Notes to financial statement

for the year ended March 31, 2023

Note 24 : Fair Values

Financial assets and liabilities

The carrying values of financials instruments of the trust 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 Millions)

Particulars	Carrying amount As at March 31, 2023	Fair Value As at March 31, 2023	Carrying amount As at March 31, 2022	Fair Value As at March 31, 2022
Financial assets				
Financial assets measured at amortised cost				
Loans	35,772.98	35,772.98	33,795.94	33,795.94
Other financial assets	7,965.17	7,965.17	5,610.67	5,610.67
Financial assets measured at fair value through statement of Profit & Loss				
Investments in mutual trusts	20.08	20.08	20.04	20.04
Financial assets measured at amortised cost				
Cash and cash equivalents	6.56	6.56	0.25	0.25
Other Bank balances	-	-	-	-
Financial liabilities				
Financial liabilities measured at amortised cost				
Trade payables	81.35	81.35	81.71	81.71
Borrowings	4,872.91	4,872.91	3,607.93	3,607.93
Other financial liabilities	35,778.03	35,778.03	35,168.79	35,168.79

The management assessed that the fair value of 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 discount for lack of marketability represents the amounts that the trust has determined that market participants would take into account when pricing the investments.

The trust 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.

Note 25 : 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.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Notes to financial statement

for the year ended March 31, 2023

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 Millions)

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Loans	35,772.98	-	-	35,772.98
Cash and cash equivalents	6.56			6.56
Other Financial assets	7,965.17	-	-	7,965.17
Investments in mutual fund (Quoted)	20.08	20.08	-	-
Liabilities				
Trade payable	81.35	-	-	81.35
Other financial liabilities	35,778.03	-	-	35,778.03
Borrowings	4,872.91			4,872.91

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 Millions)

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Loans	33,795.94	-	-	33,795.94
Other Financial assets	5,610.67	-	-	5,610.67
Investments in mutual fund (Quoted)	20.04	20.04	-	-
Liabilities				
Trade payable	81.71	-	-	81.71
Other financial liabilities	35,168.79	-	-	35,168.79

Note 26 : Financial risk management objectives and policies

The trust's risk management policies are established to identify and analyse the risks faced by the trust, 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 trust's activities.

The Board of Directors of Investment Manager have overall responsibility for the establishment and oversight of the trust's risk management framework.

In performing its operating, investing and financing activities, the trust 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 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 trust 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 trust are with its subsidiaries.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The trust's exposure to the risk of changes in market interest rates relates primarily to the trust's long-term debt obligations with floating interest rates.

Notes to financial statement

for the year ended March 31, 2023

c. **Liquidity risk**

Liquidity risk is the risk that the trust may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The trust's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements.

The trust 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 Millions)

March 31, 2023	On demand	Less than 3 months	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	-		4,872.91		-	4,872.91
Other financial liabilities			-	35,778.03		35,778.03
Trade payables	-	0.01	50.56	30.78	-	81.35
Total	**-**	**0.01**	**4,923.47**	**35,808.80**	**-**	**40,732.29**

(₹ in Millions)

March 31, 2022	On demand	Less than 3 months	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	-		3,607.93		-	3,607.93
Other financial liabilities			-	35,168.79		35,168.79
Trade payables	-	-	35.28	46.43	-	81.71
Total	**-**	**-**	**3,643.21**	**35,215.22**	**-**	**38,858.44**

At present, the trust 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 trust may adjust the distribution of cash flow of 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 The trust 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 Millions)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	4,872.91	3,607.93
Less: cash and cash equivalents	(6.56)	(0.25)
Net debt (A)	**4,866.35**	**3,607.69**
Unit capital	87,929.33	85,504.33
Other equity	9,526.42	5,992.74
Total equity (B)	**97,455.75**	**91,497.07**
Capital and net debt C = A + B	**1,02,322.10**	**95,104.76**
Gearing ratio (%) (C / A)	**4.76%**	**3.79%**

In order to achieve this overall objective, the trust'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.

Notes to financial statement

for the year ended March 31, 2023

Note 28 : Significant accounting judgement, estimates and assumptions

The preparation of the trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the actrusting 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 trust's accounting policies, management has made the judgement, which have the most significant effect on the amounts recognised in the financial statements.

Classification of unit holders trusts

Under the provisions of the InvIT Regulations, trust is required to distribute to Unit holders not less than ninety percent of the net distributable cash flows of trust for each financial year. Accordingly, a portion of the unitholders' trusts contains a contractual obligation of the trust to pay to its Unitholders cash distributions. The Unitholder's trusts 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' trusts 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 trust 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 trust. 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 Trust 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 24 for details).

Impairment of non-financial assets

Non-financial assets of the trust primarily comprise of investments 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 recordable 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 29 : Investment Manager Fees

Pursuant to the terms of the Investment Management Agreement, the fees will be paid to the Investment Manager for the services provided by it ("Management Fees"). The Management Fees have been revised for the Financial Year with the approval of the Unitholders, where the votes cast by Unitholders so entitled and voting in favor of a resolution are not less than one-and-a-half times the votes cast against such resolution. Pursuant to a resolution of the Unitholders, the Management Fees for the Financial Year 2023 has been revised to ₹47.70 millions

Notes to financial statement

for the year ended March 31, 2023

Note 30 : Taxes

In accordance with section 10 (23FC) of the Income Tax Act, the income of business trust in the form of interest received or receivable from Project SPV is exempt from tax. Accordingly, the trust 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.

Note 31

On April 7, 2022, the Trust has executed arrangement with the Sponsor for implementation of Palsit Dankuni Tollway Private Limited ('SPV') by the Trust and accordingly, the project is being executed by the SPV and the Trust.

Note 32 : Events after reportin g period

There is no subsequent event after the reporting period which requires adjustments to the financial statements.

Note 33 : Previous period comparatives

Previous period's figures have been regrouped/reclassified, wherever necessary, to confirm to current period's classification.

Note 34 : Subsequent Events

The Trust has been listed on NSE w.e.f. 03.04.2023

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI Firm Registration Number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

Place: Mumbai
Date : 12.05.2023

For and on behalf of MMK Toll Road Private Limited
(Investment Manager of IRB Infrastructure Trust)

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of IRB Infrastructure Trust

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Ind AS Financial Statements of IRB Infrastructure Trust ("the InvIT" or "the Trust") and its subsidiaries (the Trust 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 Cash Flows, the Consolidated Statement of Changes in Unit Holder's Equity 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 consolidated statement of Net Distributable Cash Flows ('NDCFs') of the trust and each of the 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 (together referred to as the "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), as amended and other accounting principles generally accepted in India, of the consolidated State of Affairs of the Group as at March 31, 2023, its Consolidated Loss and Total Comprehensive Loss, 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 ('NDCFs') of the trust and each of the subsidiaries for the year ended March 31, 2023.

BASIS FOR OPINION

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

	PARTICULARS	HOW THEY WERE ADDRESSED IN OUR AUDIT
1.	**Loss on fair value measurement of other payable / deferred consideration payable to IRB Group.** Pursuant to settlement of IRB Infrastructure Trust by IRB Infrastructure Developers Limited (Sponsor), as a Private INVIT, the Trust has entered into Debt Novation Agreements (DNA). As per the terms of DNA, in consideration of assets taken over in 9 SPVs, Trust has issued units and agreed to transfer to the Sponsor, the claim amounts when and to the extent the same are eventually received by Project SPVs, on account of Sponsor Claims.	• We reviewed the Placement Memorandum filed with SEBI and the consequential legal documentation entered into by the Trust, including inter alia the Debt Novation Agreements and their reflection in the underlying SPVs. • We have reviewed the methodology adopted by the valuer in deriving the value including the assumptions made.

PARTICULARS		HOW THEY WERE ADDRESSED IN OUR AUDIT
	Such Sponsor Claims shall be lodged after obtaining COD by respective SPVs. The amount realizable against claims has been estimated by the valuers appointed by the Management based on the weighted average of probabilities of realization of such claims. Based on the fair value of liability as estimated by the valuers, a resultant impact in the value of liability has been recognized under the head 'Loss on fair value measurement of other payable'.	• We assessed the estimates of Fair Value provided in the Valuation Report and realizability of claims as indicated therein. • We also reviewed the reasonableness of the variables applied in the said computation. • Based on the above, the fair value of liability to the Sponsor, as estimated by the valuer, taking into consideration the weighted average of probabilities of realization has been validated.
2.	**Impairment Testing** The Group has toll collection rights as intangible assets pursuant to the concession agreement. The carrying value of these rights acquired under BOT basis is being compared to the recoverable value (which is value in use in the instant case) thereof to ascertain if there is any impairment. The process involves estimating the value in use of the asset which is determined by forecasting and discounting future cash flows. The same is sensitive to changes in discount rate, traffic growth rates, toll growth rates etc. The determination of the recoverable amount of the toll collection right involves significant judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these rights. Accordingly, the evaluation of impairment of toll collection rights has been determined as a Key Audit Matter.	• We evaluated management's assessment on impairment for intangible assets under development and intangible assets – toll collection rights by testing the assumptions and methodologies used by the Management. • Referred to valuation reports and Traffic Growth Study Reports and determined reasonableness of future toll revenue. • Evaluated the potential changes in major components as compared to previous year vis-à-vis actual performance in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • Assessed the appropriateness of the weighted average cost of capital used in determining recoverable amount. • Performed sensitivity analysis of key assumptions used in valuation. • Tested the arithmetical accuracy of the model.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Board of Directors of the Investment Manager is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Report of Investment Manager including annexures to Investment Manager's Report and other information as required to be given by SEBI InvIT Regulations 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.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS OF INVESTMENT MANAGER FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of Investment Manager ('the Management') is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position as at 31 March 2023, consolidated financial performance including other comprehensive income, consolidated movement of the unit holder's funds and consolidated cash flows for the year ended March 31, 2023, the consolidated net assets at fair value as at 31 March 2023, its consolidated total returns at fair value and the net distributable cash flow of the trust and each of its subsidiaries in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified and/or any addendum thereto as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and

Exchange Board of India (Infrastructure Investment Trusts) Regulation 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations").

The Board of Directors of Investment Manager and 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 relevant laws for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls for ensuring the accuracy and completeness of 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 and error, which have been used for the purpose of preparation of the consolidated financial statements by the management of the trust, as aforesaid.

In preparing the Consolidated Financial Statements, the Board of Directors of Investment Manager and respective Board of Directors of the subsidiary 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 the Board of Directors of Investment Manager and respective Board of Directors of the subsidiary companies included in the Group either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Investment Manager and the respective Board of Directors of the subsidiary companies included in the Group are also responsible for overseeing the financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance 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 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 control 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 the Board of Directors of the Investment Manager.

- Conclude on the appropriateness of use of the going concern basis of accounting by the Board of Directors of Investment Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 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 an 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 statement, 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 Financial Statements.

We communicate with those charged with governance of the trust 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 5 subsidiaries, whose Financial Statements reflect Total Assets of INR 1,13,238.70 Million, Net Assets of INR 35,029.67 Million as at 31 March 2023, Total Revenues of IINR 19,132.81 Million, Losses after taxes of INR 1,657.28 Million and Net Cash Inflow amounting to INR 201.07 Million for the year ended on 31 March 2023, 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 auditor 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 auditor.

Our opinion above, on the Consolidated Financial Statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

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 Indian Accounting Standards (Ind AS) and / or any addendum thereto as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended.

For Gokhale & Sathe,
Chartered Accountants
Firm Registration No.: 103264W

CA Kaustubh Deshpande,
Partner
Membership No. 121011
UDIN: 23121011BGXXWC5823
Date: 12th May 2023
Place: Mumbai

Consolidated Balance Sheet

as at 31st March, 2023

(₹ in Millions)

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	7.59	8.85
Goodwill		604.54	604.54
Other Intangible assets	4	2,28,418.29	2,21,859.48
Intangible assets under development	4	2,421.67	1,290.89
Financial assets			
i) Others	7	0.33	2.74
Other non-current assets	9	174.07	656.55
Deferred tax assets (net)	8	755.80	287.67
		2,32,382.29	**2,24,710.72**
Current assets			
Financial assets			
i) Investments	5	1,283.09	659.54
ii) Trade receivables	6	84.67	51.55
iii) Cash and cash equivalents	10	731.31	287.23
iv) Bank balance other than (iii) above	11	4,866.69	2,469.97
v) Others	7	1,448.56	1,604.18
Current tax assets (net)	12	24.81	114.22
Other current assets	13	2,657.07	1,677.46
		11,096.20	**6,864.15**
TOTAL ASSETS		**2,43,478.49**	**2,31,574.87**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	87,929.33	85,504.33
Other equity	15		
Other reserves		(10,395.80)	(8,108.29)
Total Equity		**77,533.53**	**77,396.04**
Non-controlling interests		0.81	-
		77,534.34	**77,396.04**
Non-current liabilities			
Financial liabilities			
i) Borrowings	16	98,943.95	92,559.82
ii) Other financial liabilities	18	35,780.80	35,168.79
iii) Trade payables	19	4,165.72	5,998.85
Provisions	20	2,965.03	1,350.57
		1,41,855.50	**1,35,078.03**
Current liabilities			
Financial liabilities			
i) Borrowings	16	6,135.65	4,719.18
ii) Trade payables	17		
a) total outstanding dues of micro enterprises and small enterprises		1.61	3.69
b) total outstanding dues of creditors other than micro enterprises and small enterprises		15,303.87	11,214.65
iii) Other financial liabilities	18	2,549.37	3,023.13
Other current liabilities	21	98.15	140.15
		24,088.65	**19,100.80**
Total liabilities		**1,65,944.15**	**1,54,178.83**
Total equity and liabilities		**2,43,478.49**	**2,31,574.87**
Summary of significant accounting policies	3		

The accompanying summary of significant accounting policies and other explanatory information (notes) are an integral part of Consolidated Financial Statements.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI registration number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

Place: Mumbai
Date : 12.05.2023

For and on behalf of the Board of Directors of
MMK Toll Road Private Limited
(As Investment Manager to IRB Infrastructure Trust)
CIN : U45200MH2002PTC135512

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in Millions)

	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	22	26,912.59	12,404.84
Other income	23	263.08	100.13
Total income		**27,175.67**	**12,504.97**
Expenses			
Valuation Expenses		2.67	1.46
Audit fees	27A	5.04	3.13
Operating Expenses	24	12,865.52	2,029.53
Project Management Fees		2,647.70	1,960.27
Insurance and Security Expenses		14.72	1.12
Trustee Fees		5.95	4.16
Depreciation on Property, plant and Equipment	25	1.25	1.74
Amortisation of Intangible Assets	25	2,809.17	1,673.16
Finance costs (Interest)	26	9,005.28	8,670.13
Finance costs (Others)	26	1,249.41	868.58
Investment Manager Fees		56.52	42.48
Custodian fees		0.09	0.18
Loss on sale of assets		0.01	-
Fair value loss on measurement of other payable		560.53	2,161.31
Other expenses	27	256.29	235.06
Total expenses		**29,480.14**	**17,652.31**
Profit/(loss) before tax		**(2,304.47)**	**(5,147.34)**
Tax expenses			
Current tax		435.25	8.87
Deferred tax		(468.13)	(720.23)
MAT Credit utilisation / (Entitlement)		-	-
Total tax expenses		**(32.88)**	**(711.36)**
Profit/(loss) after tax		**(2,271.59)**	**(4,435.98)**
Other comprehensive income			
Item that will not be reclassified to profit or loss:			
(a) Re-measurement (loss)/gain on defined benefit plans (net of taxes)		-	-
Other comprehensive income/ (loss) for the year, net of tax		**-**	**-**
Total comprehensive income /(loss) for the year		**(2,271.59)**	**(4,435.98)**
Profit/(loss) after tax		**(2,271.59)**	**(4,435.98)**
Attributable to:			
Owners of the Project SPV Group		(2,272.18)	(4,435.98)
Non-controlling interests		0.59	-
Total comprehensive income for the year			
Attributable to:			
Equity holders of the Project SPV Group		(2,272.18)	(4,435.98)
Non-controlling interests		0.59	-
Earnings per unit (of Rs 100 each)	43		
Basic		(2.59)	(5.26)
Diluted		(2.59)	(5.26)
Summary of significant accounting policies	3		

The accompanying summary of significant accounting policies and other explanatory information (notes) are an integral part of Consolidated Financial Statements.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI registration number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

Place: Mumbai
Date : 12.05.2023

For and on behalf of the Board of Directors of
MMK Toll Road Private Limited
(As Investment Manager to IRB Infrastructure Trust)
CIN : U45200MH2002PTC135512

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

Disclosures Pursuant to SEBI Circulars

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016

A. Statement of Net Asset at Fair Value (₹ in Millions)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Book value	Fair value	Book value	Fair value
A. Assets	2,43,478.49	2,99,372.54	2,31,574.87	2,52,287.18
B. Liabilities (at book value)	1,65,944.15	1,16,629.02	1,54,178.83	1,05,330.89
C. Net Assets (A-B)	77,534.34	1,82,743.52	77,396.04	1,46,956.29
D. Number of units (in millions)	879.29	879.29	855.04	855.04
E. NAV (C/D) (Amount in Rs.)	88.18	207.83	90.52	171.87

Project wise break up of fair value of total assets:

Name of the project	As at March 31, 2023
IRB Westcoast Tollway Limited (IRBWTL)	36,482.81
Solapur Yedeshi Tollway Limited (SYTL)	24,790.88
Yedeshi Aurangabad Tollway Limited (YATL)	43,312.69
Kaithal Tollway Limited (KTL)	25,383.75
AE Tollway Limited (AETL)	32,259.22
Udaipur Tollway Limited (UTL)	27,580.66
CG Tollway Limited (CGTL)	29,523.00
Kishangarh Gulabpura Tollway Limited (KGTL)	23,223.41
IRB Hapur Moradabad Tollway Limited (IRBHMTL)	43,631.92
Palsit Dankuni Tollway Private Limited (PDTPL)	12,478.53
Subtotal	**2,98,666.88**
Add : IRB Infrastructure Trust Assets	**705.66**
Total assets	**2,99,372.54**

B. Consolidated statement of total returns at fair value : (₹ in Millions)

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)	(2,271.59)	(4,435.98)
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	1,05,209.18	69,560.25
Total Return	**1,02,937.59**	**65,124.27**

Notes : Fair value of assets as at March 31, 2023 and 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.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI registration number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

Place: Mumbai
Date : 12.05.2023

For and on behalf of the Board of Directors of
MMK Toll Road Private Limited
(As Investment Manager to IRB Infrastructure Trust)
CIN : U45200MH2002PTC135512

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

Statement of changes in Equity

for the year ended 31st March, 2023

(₹ in Millions)

	March 31, 2023		March 31, 2022	
i) Units issued, subscribed and fully paid	**No.**	**Rs.**	**No.**	**Rs.**
Units having face value of ₹ 100/-				
Balance at the beginning of the year	85,50,43,265	85,504.33	81,68,80,000	81,688.00
Issue of Unit capital (Note 14)	2,42,50,000	2,425.00	3,81,63,265	3,816.33
Balance at the end of the year	**87,92,93,265**	**87,929.33**	**85,50,43,265**	**85,504.33**

B. Other equity

(₹ in Millions)

	March 31, 2023	March 31, 2022
Retained earnings		
Balance at the beginning of the year	(8,108.29)	(3,669.05)
Profit/(loss) for the year	(2,272.18)	(4,435.98)
Pre-incorporation profit		
Unit Issue expenses	(15.33)	(3.26)
Balance at the end of the year	**(10,395.80)**	**(8,108.29)**

Summary of significant accounting policies 3

The accompanying summary of significant accounting policies and other explanatory information (notes)are an integral part of Consolidated Financial Statements.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI registration number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

Place: Mumbai
Date : 12.05.2023

For and on behalf of the Board of Directors of
MMK Toll Road Private Limited
(As Investment Manager to IRB Infrastructure Trust)
CIN : U45200MH2002PTC135512

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

Consolidated Statement of Cash Flows

for the year ended 31st March, 2023

(₹ in Millions)

	For year ended March 31, 2023	For year ended March 31, 2022
Cash flow from operating activities		
Profit/(loss) before tax	**(2,304.47)**	**(5,147.34)**
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	2,810.42	1,674.90
Resurfacing expenses	1,614.45	992.73
Fair value gain on mutual funds	(11.35)	(0.78)
Net (gain) on sale of current Investment	(62.95)	(13.93)
Finance costs	10,111.65	9,538.70
Interest income	(186.05)	(81.69)
Gain/(loss) on fair value measurement of other payable	560.53	2,161.31
Operating profit before working capital changes	**12,532.23**	**9,123.91**
Movement in working capital:		
Increase/ (decrease) in trade payables	1,178.92	11,498.13
Increase/ (decrease) in provisions	-	-
Increase/ (decrease) in other financial liabilities	435.72	306.46
(Decrease)/ increase in other liabilities	(45.01)	30.37
Decrease / (increase) in trade receivables	(33.12)	48.69
(Increase) / decrease in other financial assets	134.16	(989.59)
(Increase) / decrease in other assets	(343.36)	(167.46)
Cash generated from operations	**13,859.54**	**19,850.51**
Taxes paid (net)	(345.84)	32.09
Net cash flows generated from operating activities (A)	**13,513.70**	**19,882.59**
Cash flows from investing activities		
Purchase of property, plant and equipment including CWIP, intangible assets including intangible assets under development and capital advances	(11,055.81)	(17,617.12)
Proceeds from sale/ (purchase) of current investments (net)	(549.25)	(72.33)
Investments in bank deposits (having original maturity of more than three months) (net)	(2396.72)	(725.62)
Interest received	200.12	103.63
Net cash flows (used in) investing activities (B)	**(13,801.66)**	**(18,311.44)**
Cash flows from financing activities		
Proceeds from non-current borrowings	32,302.27	3,988.29
Repayment of non-current borrowings	(25923.75)	(775.43)
Proceed of current borrowings	1,532.48	4759.00
Repayment of current borrowings	(447.97)	(4828.83)
Issue of equity share capital	2,425.00	3,816.33
Unit issue expenses	(15.33)	(3.26)
Finance cost paid	(9,140.79)	(8,653.52)
Net cash flows (used in)/generated from financing activities (C)	**731.91**	**(1,697.41)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**443.95**	**(126.26)**
Cash and cash equivalents at the beginning of the year	287.23	413.49
Add: Cash acquired during business combination	0.13	
Cash and cash equivalents at the end of the year (refer note 10)	**731.31**	**287.23**
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Trust, retention and other escrow accounts	394.06	161.56
- Others	279.37	118.03
- In deposit accounts with original maturity less than 3 months	49.50	-
Cash on hand	8.38	7.64
Total cash and cash equivalents	**731.31**	**287.23**

Debt reconciliation statement in accordance with Ind AS 7

(₹ in Millions)

	For year ended March 31, 2023	For year ended March 31, 2022
Opening balances		
Long term borrowing	94,124.22	90,833.34
Short term borrowing	4,085.74	4,155.57
Movements		
Cash Flows		
Long term borrowing	7,245.60	3,290.88
Short term borrowing	1264.98	(69.83)
Closing balances		
Long term borrowing	1,01,369.82	94,124.22
Short term borrowing	5,350.72	4,085.74

Note:

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. The Consolidated cash flow statement has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows".

Summary of significant accounting policies 3

The accompanying summary of significant accounting policies and other explanatory information (notes)are an integral part of Consolidated Financial Statements.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI registration number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

For and on behalf of the Board of Directors of
MMK Toll Road Private Limited
(As Investment Manager to IRB Infrastructure Trust)
CIN : U45200MH2002PTC135512

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place: Mumbai
Date : 12.05.2023

Place : Mumbai
Date : 12.05.2023

Additional Disclosures as required by Paragraph 6 to SEBI Circulars No. CIR/MD/DF/127/2016

a. Net Distributable Cash Flow for the half year ended March 31, 2023

(i) IRB Infrastructure Trust

(₹ in Millions)

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	2,097.00	825.00
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	0.92	0.40
4	Cash flows received from the project SPVs towards the repayment (Net) of the debt issued to the Project SPVs by the Trust	(1,928.34)	(1,682.67)
5	**Total cash inflow at the Trust level (A)**	**169.58**	**(857.27)**
	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	(113.33)	(63.38)
7	Income tax (if applicable) at the Standalone Trust Level	-	-
8	Repayment of external debt	-	-
9	**Total cash outflows / retention at the Trust level (B)**	**(113.33)**	**(63.38)**
10	**Net Distributable Cash Flows (C) = (A+B)**	**56.25**	**(920.65)**

The same is earmarked towards capex for ongoing projects.

Note :

1 Excludes interest due but not received of ₹ 2,124.77 millions and ₹ 3,375 Millions for the year ended March 31, 2023 and year ended March 31, 2022.

2 Netted - off with disbursement of short-term unsecured loan to project SPVs. (Refer RPT disclosures of standalone financial results).

(ii) IRB Westcoast Tollway Limited (IRBWC)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per profit and loss account (A)	(1,135.93)	(815.33)
2	Add: Depreciation and amortisation as per Statement of profit and loss	164.74	113.19
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	137.31	64.76
4	Add: Interest paid/payable to the Trust	530.18	491.37
5	Add :- Provision for resurfacing expenses (Net)		
6	Less: Principal repayment of external debt	(70.97)	(86.97)
7	Less: Tax paid		
8	Less: Creation of MMRA		
9	Less: Capital expenditure towards the project		
10	**Total adjustments (B)**	**761.26**	**582.35**
11	**Net Distributable Cash Flows (C) = (A+B)**	**(374.67)**	**(232.98)**

(ii) Yedeshi Aurangabad Tollway Limited (YATL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per profit and loss account (A)	(264.71)	(834.88)
2	Add: Depreciation and amortisation as per Statement of profit and loss	559.99	305.02
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	41.68	3.08
4	Add: Interest paid/payable to the Trust	581.77	560.00
5	Add :- Provision for resurfacing expenses (Net)	109.06	102.67
6	Less: Principal repayment of external debt	(60.29)	(361.08)
7	Less: Tax paid		
8	Less: Creation of MMRA	(220.00)	
9	Less: Capital expenditure towards the project		
10	**Total Adjustments (B)**	**1,012.21**	**609.69**
11	**Net Distributable Cash Flows (C) = (A+B)**	**747.50**	**(225.19)**

(iii) Solpaur Yedeshi Tollway Limited (SYTL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per profit and loss account (A)	(225.45)	(543.70)
2	Add: Depreciation and amortisation as per Statement of profit and loss	168.97	116.74
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	20.80	7.61
4	Add: Interest paid/payable to the Trust	560.00	560.00
5	Add :- Provision for resurfacing expenses (Net)	60.75	59.68
6	Less: Principal repayment of external debt	(5.86)	(111.88)
7	Less: Tax paid		
8	Less: Creation of MMRA	(80.00)	
9	Less: Capital expenditure towards the project		
10	**Total Adjustments (B)**	**724.66**	**632.15**
11	**Net Distributable Cash Flows (C) = (A+B)**	**499.21**	**88.45**

(iii) Kaithal Tollway Limited (KTL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022*
1	Profit after tax as per profit and loss account (A)	(848.69)	(896.42)
2	Add: Depreciation and amortisation as per Statement of profit and loss	212.13	52.97
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	96.97	77.30
4	Add: Interest paid/payable to the Trust	1,186.02	1,186.02
5	Add :- Provision for resurfacing expenses (Net)	176.65	171.38
6	Less: Principal repayment of external debt	(121.25)	(66.45)
7	Less: Tax paid		
8	Less: Creation of MMRA		
9	Less: Capital expenditure towards the project		
10	**Total Adjustments (B)**	**1,550.52**	**1,421.22**
11	**Net Distributable Cash Flows (C) = (A+B)**	**701.83**	**524.80**

* Profit after tax is inclusive of compensation income towards toll suspension due to farmers agitation amounting to ₹900.90 millions.

(v) Agra Etawah Tollway Limited (AETL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022*
1	Profit after tax as per profit and loss account (A)	(1,749.13)	(1,669.85)
2	Add: Depreciation and amortisation as per Statement of profit and loss	309.71	262.06
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	32.54	12.68
4	Add: Interest paid/payable to the Trust	1,333.98	1,333.98
5	Add :- Provision for resurfacing expenses (Net)	185.82	178.57
6	Less: Principal repayment of external debt	(68.51)	(37.63)
7	Less: Tax paid		
8	Less: Creation of MMRA		
9	Less: Capital expenditure towards the project		
10	**Total Adjustments (B)**	**1,793.54**	**1,749.66**
11	**Net Distributable Cash Flows (C) = (A+B)**	**44.41**	**79.81**

* Profit after tax is inclusive of compensation income towards toll suspension due to farmers agitation amounting to ₹64.26 millions.

(vi) Udaipur Tollway Limited (UTL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per profit and loss account (A)	(1,903.87)	(1,291.68)
2	Add: Depreciation and amortisation as per Statement of profit and loss	364.50	267.28
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	120.39	164.27
4	Add: Interest paid/payable to the Trust	-	-
5	Add :- Provision for resurfacing expenses (Net)	432.11	349.85
6	Less: Principal repayment of external debt	(28.84)	(32.90)
7	Less: Tax paid		
8	Less: Creation of MMRA		
9	Less: Capital expenditure towards the project		
10	**Total Adjustments (B)**	**888.16**	**748.50**
11	**Net Distributable Cash Flows (C) = (A+B)**	**(1,015.71)**	**(543.18)**

(vii) Chittorgarh Gulabpura Tollway Limited (CGTL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023	Year ended March 31, 2022
1	Profit after tax as per profit and loss account (A)	(936.67)	(213.49)
2	Add: Depreciation and amortisation as per Statement of profit and loss	371.14	243.63
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	(110.79)	145.29
4	Add: Interest paid/payable to the Trust	-	-
5	Add :- Provision for Resurfacing Expenses (Net)	126.16	76.99
6	Less: Repayment of external debt (principal)	(79.44)	(51.48)
7	Less: Tax paid		
8	Less: Creation of MMRA		
9	Less: Capital expenditure towards the project		
10	**Total Adjustments (B)**	**307.08**	**414.43**
11	**Net Distributable Cash Flows (C) = (A+B)**	**(629.59)**	**200.94**

(viii)Kishangarh Gulabpura Tollway Limited (KGTL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023#	Year ended March 31, 2022
1	Profit after tax as per profit and loss account (A)	(247.35)	(405.09)
2	Add: Depreciation and amortisation as per Statement of profit and loss	212.76	103.80
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	249.35	174.35
4	Add: Interest paid/payable to the Trust	-	-
5	Add :- Provision for Resurfacing Expenses (Net)	110.67	
6	Less: Repayment of external debt (principal)	(36.32)	(15.94)
7	Less: Tax paid		
8	Less: Creation of MMRA		
9	Less: Capital expenditure towards the project		
10	**Total Adjustments (B)**	**536.46**	**262.21**
11	**Net Distributable Cash Flows (C) = (A+B)**	**289.11**	**(142.88)**

The said funds are earmarked towards NHAI premium payment.

(ix) IRB Hapur Muradabad Tollway Limited (IRBHM)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023#	Year ended March 31, 2022
1	Profit after tax as per profit and loss account (A)	(75.48)	(285.44)
2	Add: Depreciation and amortisation as per Statement of profit and loss	351.78	210.21
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	120.02	87.52
4	Add: Interest paid/payable to the Trust	-	-
5	Add :- Provision for Resurfacing Expenses (Net)	270.19	
6	Less: Repayment of external debt (principal)	(134.90)	(11.10)
7	Less: Tax paid		
8	Less: Creation of MMRA		
9	Less: Capital expenditure towards the project	(62.03)	(10.20)
10	**Total Adjustments (B)**	**545.06**	**276.43**
11	**Net Distributable Cash Flows (C) = (A+B)#**	**469.58**	**(9.01)**

The said funds are earmarked towards balance Capex.

(x) Palsit Dankuni Tollway Private Limited (PDTPL)

(₹ in Millions)

Sr. No.	Description	Year ended March 31, 2023#
1	Profit after tax as per profit and loss account (A)	1,430.69
2	Add: Depreciation and amortisation as per Statement of profit and loss	94.71
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	193.17
4	Add: Interest paid/payable to the Trust	
5	Add :- Provision for Resurfacing Expenses (Net)	
6	Less: Repayment of external debt (principal)	
7	Less: Tax paid	(363.10)
8	Less: Creation of MMRA	
9	Less: Capital expenditure towards the project	(1,332.99)
10	**Total Adjustments (B)**	**(1,408.21)**
11	**Net Distributable Cash Flows (C) = (A+B)**	**22.48**

The said funds are earmarked towards balance Capex.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

1 Corporate Information

The IRB Infrastructure Trust (the "Trust") is a trust settled pursuant to the indenture of trust dated August 27, 2019 which is register ed under the Registration Act, 1908 and under the Securities Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time. The Trust 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"). Investment manager for the Trust is MMK Toll Road Private Limited (the "Investment Manager"). The Trust has received registraion certificate from SEBI on November 25, 2019.

The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. The Trust's road projects are eligible infrastructure projects under the InvIT Regulations and held through special purpose vehicles ("Project SPVs" together as "Project SPV Group"). The Trust's portfolio comprises of ten road projects as listed below:-

Project SPV Name**	Residual Concession life*	Proposed shareholding	Nature of Investment	Status	Principal Activities	Country of incorporation
IRB Westcoast Tollway Limited (IRBWTL)	18 years 11 Months 2 days	100%	Subsidiary	Tolling and Construction	**Construction and operation of road including toll collection.**	**India**
Solapur Yedeshi Tollway Limited (SYTL)	20 years 9 Months 21 days	100%	Subsidiary	Operating		India
Yedeshi Aurangabad Tollway Limited (YATL)	18 years 3 Months 1 days	100%	Subsidiary	Operating		India
Kaithal Tollway Limited (KTL)	19 years 3 Months 15 days	100%	Subsidiary	Operating		India
AE Tollway Limited (AETL)	17 years 4 Months 2 days	100%	Subsidiary	Operating		India
Udaipur Tollway Limited (UTL)	15 years 5 Months 4 days	100%	Subsidiary	Operating		India
CG Tollway Limited (CGTL)	14 years 7 Months 5 days	100%	Subsidiary	Operating		India
Kishangarh Gulabpura Tollway Limited (KGTL)	14 years 10 Months 22 days	100%	Subsidiary	Operating		India
IRB Hapur Moradabad Tollway Limited (IRBHMTL)	18 years 1 Months 25 days	100%	Subsidiary	Operating		India
Palsit Dankuni Tollway Private Limited (PDTPL) w.e.f 02.04.2022	16 years 0 Months 1 days	100%	Subsidiary	Tolling and Construction		India

* Represents residual concession life as at March 31, 2023 as per original concession period (without considering extension of concession period, if any).

** Of the above Project SPVs, IRBWTL, SYTL, YATL, AETL, CGTL, UTL and IRBHMTL have been converted to public companies on November 13, 2019 and KTLand KGTL on November 14, 2019 .

The registered office of the Investment Manager is Off No-11th Floor/1101 Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Powai Mumbai 400076.

The financial statements were authorised for issue in accordance with resolution passed by the board of directors of the Investment manager on May 12, 2023.

The Trust has been listed on NSE w.e.f. 03.04.2023.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

2 Basis of preparation

A. Statement of compliance

The Consolidated Financial Statements of Project SPV Group comprises of Consolidated Balance Sheet as at March 31, 2023 and March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) of the Project SPV group, the Consolidated Statement of Cash Flow Statement, the Consolidated Statement of Changes in Equity of the movement of the unit holders for the year ended March 31, 2023 and March 31, 2022, the consolidated statement of Net Assets at Fair Value as at March 31, 2023 and March 31, 2022 and the Consolidated Statement of Total Returns at Fair Value for the year ended March 31, 2023 and March 31, 2022, a summary of significant accounting policies, notes and other explanatory Information.

The Consolidated Financial Statements of the Project SPV Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Act, 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 a accrued and historical cost basis, except for certain assets and liabilities which have been measured at fair value.

The Consolidated Financial Statements are presented in ₹ in millions, except when otherwise indicated.Wherever the amount represented '0' (zero) construes value less than Rupees five thousand.

B Basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements comprise the Financial Statements of the Project SPV Group.

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

The Financial Statements of all Project SPVs used for the purpose of consolidation are drawn up to the same reporting date i.e. year ended on March 31.

Consolidation procedure:

(a) Consolidate like items of assets, liabilities, equity, income, expenses and cash flows of Project SPVs.

(b) Eliminate in full intra Project SPVs assets and liabilities, income, expenses and cash flows relating to transactions between Project SPVs of the Project SPV Group (profits or losses resulting from intra Project SPV Group transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Project SPV Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

3 Summary of significant accounting policies

3.01Current versus non-current classification

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

The Project SPV 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

The Project SPV Group classifies all other liabilities as non-current.

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

3.02 Use of estimates and judgements

The preparation of the Project SPV 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

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

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 recognised in the year in which the estimates are revised and future periods are affected.

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 within the next financial year, are described below. The Project SPV 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.

Fair value measurement of financial instruments (refer note 31)

Provision for major maintenance (refer note 20)

Impairment of non financial assets (refer note 3.19)

3.03 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 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 cashgenerating 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.

3.04 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 asset acquired including those assets that meet the definition of, and recognition criteria for, intangible asset 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 fail values at the date of purchase. Such a transaction or event does not give rise to goodwill.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

3.05 Fair value measurement

The Project SPV Group measures financial instruments, (refer note 31) 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 Project SPV 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 Project SPV 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 Project SPV 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 Project SPV 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 Project SPV 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 presents the valuation results to the Investment Manager and the Project SPV Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Project SPV 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 3.02)

Financial instruments (including those carried at amortised cost) (note 5,6,7,11,17,18,19,31)

Quantative disclosure of fair value measurement hierarchy (note 32)

3.06 Revenue recognition

The Project SPV Group has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers:

The Project SPV Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Project SPV Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Project SPV Group's performance as the Project SPV Group performs; or

2. The Project SPV Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Project SPV Group's performance does not create an asset with an alternative use to the Project SPV Group and the entity has an enforceable right to payment for performance completed to date.

Contract revenue

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. Project SPVs operations involve levying of GST on the construction work. Goods and Service tax is not received by the project SPVs 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.

Income from the concession arrangements earned under the intangible asset model consists of the (i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Project SPV Group, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortised in line with the actual usage of the specific public utility facility, with a maximum of the duration of the concession.

Income from toll contracts

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

Interest income

For all financial assets 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 Project SPV 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 Project SPV Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Trade receivables

A receivable represents the Project SPV Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

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3.07 Government Grants

Grants and subsidies from the government are recognised if the following conditions are satisfied.

There is reasonable assurance that the Project SPV Group will comply with the conditions attached to it.

Such benefits are earned and reasonable certainty exists of the collection.

Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant 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.

3.08 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 in accordance the Income Tax Act, 1961. 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 country where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or 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 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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in the consolidated statement of profit and loss. Deferred tax is recognised in consolidated statement of profit and loss on the consolidated adjustments.

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 Project SPV Group will pay normal income tax during the specified period. Being DTA 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 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.

3.09 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.

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 Project SPV Group based on technical evaluation. The Project SPV Group has estimated the following useful lives for its tangible fixed assets:

Asset class	Useful life
Building	30 years*
Office equipment	5 years
Computers	3 years
Furniture & fixtures	10 years

* The useful life of building has been calculated by management as per their technical estimate.

3.10 Intangible assets

The Project SPV Group exercised first time adoption under Ind AS 101 and has elected to continue with the carrying value of its “Toll Collection Rights” (Intangible Assets) including corresponding obligation, as recognised in the financial statements as at the date of transition April 1, 2016 measured as per the Previous GAAP and uses that as its deemed cost as at date of transition.

Toll collection rights are stated at cost, less accumulated amortisation , impairment losses and grant from government. Cost includes:

a) For acquired Toll Collection Rights - Upfront payments towards acquisition and incidental expenses related thereto.

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

c) Toll Collection Rights in lieu of premium - Undiscounted premium obligation over the concession period.

Amortisation

Toll Collection Rights are amortised over the period of concession, using revenue based amortisation as prescribed in Ind As-36. 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.

Intangible assets under development

Expenditure related to and incurred during implementation of project are included under “Intangible

Assets under Development". The same will be transferred to the respective intangible assets on completion of project.

3.11 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 between the foreign currency borrowing and the functional currency borrowing to the extent regarded as an adjustment to the borrowing costs.

3.12 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.

Project SPV Group as a lessee

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Project SPV Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Project SPV Group is classified as a finance lease.

Operating lease payments are recognised as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

Ind AS 116 - Leases

Ind AS 116, Leases, it sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted.

Project SPV Group as a lessor

Leases in which the Project SPV Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Project SPV Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Project SPV Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.13 Provisions

Provisions are recognised when the Project SPV 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 Project SPV 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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3.14 Resurfacing expenses

As per the Concession Agreements, the Project SPV 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 reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost. Provision for the planned expenditure is made for the period upto end of the period for which periodic maintenance is required, out of the total entitiled period. The same is stated in the consolidated statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets."

3.15 Contingent liability 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 Project SPV 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 Project SPV 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.

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

3.16 Financial instruments

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, transaction costs that are attributable to the acquisition of the financial asset.

On initial recognition, a financial asset is classified as measured of

- amortised cost
- FVOCI - Debt instruments
- FVOCI - equity instruments
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the year, the Project SPV Group changes its business model for managing financial assets.

Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- 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 Project SPV Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition 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.

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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 at FVTOCI, is classified as at FVTPL.

In addition, the Project SPV 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 Project SPV 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 Project SPV Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Project SPV Group makes such election on an instrument-byinstrument basis. The classification is made on initial recognition and is irrevocable.

If the Project SPV 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 P&L, even on sale of investment. However, the Project SPV 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.

Derecognition

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

- The rights to receive cash flows from the asset has expired, or
- The Project SPV 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 Project SPV Group has transferred substantially all the risks and rewards of the asset, or (b) the Project SPV Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Project SPV Group 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 Project SPV Group continues to recognise the transferred asset to the extent of the Project SPV Group's continuing involvement. In that case, the Project SPV 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 Project SPV 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 Project SPV Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Project SPV Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as contractual revenue receivables' in these financial statements)
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Project SPV Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables; and
- Other receivables

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The application of simplified approach does not require the Project SPV Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Project SPV Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Project SPV Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument. -
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Project SPV Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of profit and 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 Project SPV Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through Statement of profit and 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 statement of profit and 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 Project SPV 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 consolidated statement of profit and loss.

Loans and borrowings

This is the category most relevant to the Project SPV Group. After initial recognition, interest-bearing loans and borrowings are subsequently 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.

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.

This category generally applies to borrowings. For more information refer note 16.

Derecognition

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

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derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated 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.

3.17 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprises of 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, as they are considered an integral part of the Project SPV Group's cash management.

3.18 Cash dividend to equity holders of the Project SPV Group

The Project SPV Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Project SPV Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.19 Impairment of non-financial assets

The Project SPV 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 Project SPV 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 Project SPV Group's of 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Project SPV Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Project SPV Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Project SPV Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Project SPV Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Project SPV Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

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3.20 Segment information

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Management ("the Board of Directors") evaluates the Project SPV Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment policies:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Management evaluates the Project SPV Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

The Project SPV Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Project SPV Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

3.21 Earnings per unit

Basic earnings per unit are calculated by dividing the net profit or loss for the period attributable to unitholders by the weighted average number of units outstanding during the period. For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unitholders and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

3.22 Foreign currencies

The Trust's financial statements are presented in INR, which is also the Trust's functional currency. The Trust 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 Trust 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 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.

3.23 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: Disclosure of Material Accounting policy information and similar consequential amendment to Ind AS 34.

Ind AS 1: Disclosure of the judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Ind AS 8: Definition of Accounting Estimate as "Accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty". Further amendments to paragraphs delineating Changes to Accounting Estimates.

Ind AS 12: Amendments to taxable temporary difference, initial recognition of asset or liability and Deductible taxable differences.

Ind AS 12: Deferred tax related to assets and liabilities arising from Single Transaction.

Ind AS 107: Information about measurement basis (or bases) for financial instruments to be disclosed as material accounting policy.

Ind AS 109: Amendment to paragraph on reassessment of embedded derivative.

Ind AS 115: Amendments to Appendix 1 which gives there in the major differences, if any, between Indian Accounting Standard (Ind AS) 115 and the corresponding International Financial Reporting Standard (IFRS) 15, Revenue from Contracts with Customers, IFRIC 12, Service Concession Arrangements and SIC 29 Service Concession Arrangements: Disclosures, issued by the International Accounting Standards Board

Based on the preliminary assessment, the company does not expect these amendment to have any significant impact on its consolidated financial statements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 4 : Property, Plant and Equipment

(₹ in Millions)

	Premises	Computer	Office Equipments	Furniture and Fixture	Total
At 31 March 2021	**16.09**	**0.30**	**1.40**	**0.39**	**18.18**
Additions	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-
At 31 March 2022	**16.09**	**0.30**	**1.40**	**0.39**	**18.18**
Additions	-	-	-	-	-
Disposals/ Adjustments	-	-	0.09	-	0.09
At 31 March 2023	**16.09**	**0.30**	**1.31**	**0.39**	**18.10**
Depreciation					
At 31 March 2021	**5.79**	**0.28**	**1.18**	**0.34**	**7.59**
Additions	1.61	0.00	0.09	0.04	1.74
Disposals/ Adjustments	-	-	-	-	-
At 31 March 2022	**7.40**	**0.29**	**1.28**	**0.38**	**9.34**
Additions	1.20	0.00	0.03	0.01	1.25
Disposals/ Adjustments	-	-	0.08	-	0.08
At 31 March 2023	**8.60**	**0.29**	**1.23**	**0.39**	**10.51**
Net Book value					
At 31 March 2023	**7.49**	**0.01**	**0.08**	**0.00**	**7.59**
At 31 March 2022	**8.69**	**0.02**	**0.12**	**0.02**	**8.85**

Net Book value	**March 31, 2023**	**March 31, 2022**
Property, Plant and Equipment	7.59	8.85

Note 4 : Intangible Assets and Intangible Assets under development

Intangible Assets

(₹ in Millions)

Particulars	**Toll Collection Rights**	**Total**
At 31 March 2021	**2,16,344.42**	**2,16,344.42**
Additions	11,814.99	11,814.99
Deletions	-	-
Adjustments	-	-
At 31 March 2022	**2,28,159.42**	**2,28,159.42**
Additions	9,663.30	9,663.30
Deletions	295.32	295.32
Adjustments	-	-
At 31 March 2023	**2,37,527.40**	**2,37,527.40**
Amortisation		
At 31 March 2021	**4,626.78**	**4,626.78**
Additions	1,673.16	1,673.16
Deletions	-	-
Adjustments	-	-
At 31 March 2022	**6,299.93**	**6,299.93**
Additions	2,809.17	2,809.17
Deletions	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in Millions)

Particulars	Toll Collection Rights	Total
Adjustments	-	-
At 31 March 2023	**9,109.10**	**9,109.10**
Net Book value		
At 31 March 2023	**2,28,418.29**	
At 31 March 2022	**2,21,859.48**	

Particulars	March 31, 2023	March 31, 2022
Toll Collection Rights	2,28,418.29	2,21,859.48
Total	**2,28,418.29**	**2,21,859.48**

Intangible assets under development

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Toll Collection Rights		
At the beginning of the year	1,290.89	4,684.26
Add : development during the year	11,128.99	835.34
	12,419.88	5,519.60
Less : Transfer to Intangible Asset (Toll Collection Rights)	9,998.21	4,228.70
Closing balance	2,421.67	1,290.89
Total	**2,421.67**	**1,290.89**

Tangible and Intangible assets given as security

Tangible and Intangible assets are subject to first charge to secured long-term borrowings from the lenders.

Financial Assets

Note 5 : Investment

(₹ in Millions)

Particulars	March 31, 2023				March 31, 2022			
	Face Value Rs.	No of Units	Current	Non-current	Face Value Rs.	No of Units	Current	Non-current
i) Investments in Mutual Funds (quoted)								
Fair Value Through Profit or Loss (FVTPL)								
Canara Robeco Liquid Fund - Direct Plan - Growth	1,000	18,486.04	49.85	-	1,000	-	-	-
Canara Robeco Overnight Fund - Direct Plan - Growth	1,000	5,174.20	6.00	-	1,000	-	-	-
IDBI Liquid Fund - Direct Plan - Growth	1,000	64,718.69	156.76		1,000	48,116.73	110.24	-
ABSL Liquid Fund - Direct Plan - Growth	100		-	-	100	53,926.78	18.50	-
SBI Liquid Fund - Direct Growth	1,000	2,91,778.24	1,028.03	-	1,000	1,53,238.96	510.75	-
SBI Overnight Fund - Direct Growth	1,000	11,632.96	42.44	-	1,000	5,790.54	20.04	-
			1,283.09	**-**			**659.54**	**-**
Total			**1,283.09**	**-**			**659.54**	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Particulars	March 31, 2023				March 31, 2022			
	Face Value Rs.	No of Units	Current	Non-current	Face Value Rs.	No of Units	Current	Non-current
Aggregate book value of quoted investments			1,271.74				658.76	
Market value of quoted investments			1,283.09				659.54	
Aggregate amount of unquoted investments			-				-	
Aggregate amount of impairment in value of investments			-				-	
Refer note 31 for determination of fair value of investments			-				-	

Note 6 : Trade receivable

(Unsecured, considered good)

(₹ in Millions)

	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Related parties	0.61	-	0.51	-
Others	84.05	-	51.03	-
Total	**84.67**	**-**	**51.55**	**-**
Less: Allowances for expected credit loss/ bad and doubtful debt	-	-	-	-
Total	**84.67**	**-**	**51.55**	**-**

The Group has not identifed any credit impairment loss as at March 31, 2023 and March 31, 2022.

Note 7 : Other financial assets

(Unsecured, considered good)

(₹ in Millions)

	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
Interest accrued on fixed deposits	11.57	-	25.64	-
Interest receivable from others	3.73	-	23.99	-
Retention money receivable	530.54	-	526.28	-
Receivable from Government Authorities (NHAI)	816.07	-	965.24	-
Other receivable	75.65	-	56.15	-
Security and other deposits	10.99	0.33	6.89	2.74
Total	**1,448.56**	**0.33**	**1,604.18**	**2.74**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 8 : Deferred tax assets

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Deferred tax liabilities (net):		
Deferred tax liabilities:		
Difference in Depreciation and other differences in block of Property, Plant and equipment and Intangible assets as per tax books & financial books	36.80	1,350.50
Deferred tax assets:		
Effect of expenditure debited to profit and loss account in the current year but allowed for tax purposes in following years	-	-
Deferred tax liabilities (net)	**36.80**	**1,350.50**
Deferred tax assets:		
Deferred tax assets:		
Depreciation	-	428.55
MAT credit entitlement	-	582.83
Deferred Tax assets on Fair valuation	792.60	626.79
Deferred Tax Assets	**792.60**	**1,638.17**
Deferred Tax liabilities:		
Difference in Depreciation/ amortisation and other differences		
Tax losses	-	-
Deferred tax (assets) / liabilities	**(755.80)**	**(287.67)**

Note 9 : Other non - current assets

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Duties and taxes receivable	174.07	656.55
Total	**174.07**	**656.55**

Note 10 : Cash and cash equivalents

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Cash and Bank balances		
Balances with banks:		
- on current accounts	279.37	118.03
- on trust, retention and other escrow accounts*	394.06	161.56
Deposits with banks		
- Original maturity less than 3 months	49.50	-
Cash on hand	8.38	7.64
Total	**731.31**	**287.23**

Note 11 : Bank balance other than cash and cash equivalent

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Maturity more than 3 months less than 12 months		
Other deposits	15.09	102.53
Debt service reserve account with banks /earmarked balance**	3,459.60	2,365.43
Major Maintenance Reserve Account	1,390.00	-
Maturity more than 12 months		
Debt service reserve account with banks /earmarked balance**	-	-
Other deposits	2.00	2.00
Total	**4,866.69**	**2,469.97**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Debt service reserve account/ major maintenance reserve account and trust, retention and other escrow accounts

Bank deposits are marked lien / pledged against the non current secured loan as per term loan agreement with the lender, further the lenders have first charge on trust, retention and other escrow accounts.

* First charge on above to the extent of amount payable as per the waterfall mechanism as defined in the Concession Agreement / Common Loan Agreement.

** The deposits to the extent of ₹ 3,459.60 millions (March 31, 2022 : ₹ 2,365.43 millions) maintained by the Project SPV Group with bank includes time deposits, which are held against Debt Service Reserve (DSR), are considered as current portion under the head "Other bank balances" since the same are encashable by the lenders in the event of default by the Project SPV Group, if any.

Current deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the group and earn interest at the respective current deposit rates. Other time deposits earn interest at the rate of 4.70% to 7.95% p.a.

Refer note 16 for details of security against term loans.

For the purpose of statement of cash flows, cash and cash equivalents comprise the following:

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Balance with banks:		
- on current accounts	279.37	118.03
- on trust, retention and other escrow accounts	394.06	161.56
Fixed deposits less than 3 months	49.50	-
Cash on hand	8.38	7.64
Less: Bank overdraft	-	-
Total	**731.31**	**287.23**

Note 12 : Current tax assets (net)

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Advance income-tax (net of provision for tax)	24.81	114.22
Total	**24.81**	**114.22**

Note 13 : Other current assets

(Unsecured, considered good unless otherwise stated)

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Advance with suppliers		
- Related parties (refer note 34)	1,347.33	502.89
- Others	45.29	32.22
Mobilisation advances (refer note 34)	33.68	435.80
Prepaid expenses	45.88	0.51
Duties and taxes receivable	1,184.89	706.04
Total	**2,657.07**	**1,677.46**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note : 14 : Unit capital

(₹ in Millions)

	March 31, 2023		March 31, 2023	
Unit capital				
Authorised Unit capital				
Units having face value of ₹100 each	87,92,93,265	87,929.33	85,50,43,265	85,504.33
	87,92,93,265	**87,929.33**	**85,50,43,265**	**85,504.33**
Issued Unit capital				
Units having face value of ₹100 each	87,92,93,265	87,929.33	85,50,43,265	85,504.33
Total	**87,92,93,265**	**87,929.33**	**85,50,43,265**	**85,504.33**

Terms / rights attached to equity shares

The Project SPVs have only one class of equity shares having par value of ₹ 100/- per share Each holder of equity shares is entitled to one vote per share. The Project SPVs declares and pays dividend in Indian rupees.

In the event of liquidation of the Project SPV, the holders of equity shares will be entitled to receive remaining assets of the Project SPV, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of unit outstanding and the amount of Unit capital:

Units issued, subscribed and fully paid	March 31, 2023		March 31, 2022	
	No. of units	₹	No. of units	₹
Units having face value of ₹ 100/-				
At the beginning of the year	85,50,43,265	85,504.33	81,68,80,000	81,688.00
Issued during the year	2,42,50,000	2,425.00	3,81,63,265	3,816.33
At the end of the year	**87,92,93,265**	**87,929.33**	**85,50,43,265**	**85,504.33**

Details of unit holders holding more than 5% units:

Units issued, subscribed and fully paid	March 31, 2023		March 31, 2022	
	No. of units	% of total unit capital	No. of units	% of total unit capital
IRB Infrastructure Developers Limited	44,84,39,840	51%	43,60,72,332	51%
Anahera Investments Pte Ltd	21,98,23,181	25%	21,37,60,685	25%
Bricklayers Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%
Chiswick Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%
Stretford End Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%
Dangenham Investments Pte Ltd	5,27,57,561	6%	5,13,02,562	6%

Details of Sponsor units	March 31, 2023		March 31, 2022	
IRB Infrastructure Developers Limited	44,84,39,840	51%	43,60,72,332	51%

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note : 15 : Other equity

Attributable to the equity holders

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Retained earnings		
At the beginning of the year	(8,108.29)	(3,669.05)
Profit for the year	(2,272.18)	(4,435.98)
Less: Appropriations		
Pre-incoporation Profits		
Unit Issue expenses	(15.33)	(3.26)
At the end of the year	(10,395.80)	(8,108.29)
Total	**(10,395.80)**	**(8,108.29)**

Financial liabilities

Note : 16 : Borrowings

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Non-current Borrowings		
Term loans		
Indian rupee loan from banks (secured)		
Project loans for SPVs	61,005.36	78,298.59
Less : current maturities expected to be settled within 12 month from balance sheet date	(639.16)	(429.15)
Total (a)	**60,366.20**	**77,869.44**
Indian rupee loan from financial institutions (secured)		
Project loans for SPVs	6,931.65	10,328.45
Less : current maturities expected to be settled within 12 month from balance sheet date	(9.75)	(59.79)
Total (b)	**6,921.90**	**10,268.66**
Non-convertible debentures (secured)	33,432.82	5,497.18
Less : current maturities expected to be settled within 12 month from balance sheet date	(130.59)	(110.76)
Total (c)	**33,302.22**	**5,386.42**
Less: Unamortised transaction cost (d)	(1,646.37)	(964.70)
Total non current borrowings (e = a + b + c + d)	**98,943.95**	**92,559.82**
Current Borrowings		
Short-term borrowings (secured)		
Current maturity of long term loans		
Indian rupee loan from banks (secured)	639.16	429.15
Indian rupee loan from financial institutions (secured)	9.75	59.79
Non convertible debentures (secured)	130.59	110.76
Interest accrued but not due on borrowings	5.43	33.73
(Unsecured, repayable on demand and interest free)		
Loan from related parties (refer note 34)	5,350.72	4,085.74
Total current borrowings (f)	**6,135.65**	**4,719.18**
Total borrowings (e+f)	**1,05,079.60**	**97,279.00**
Aggregate secured loans	99,723.46	93,159.52
Aggregate unsecured loans	5,350.72	4,085.74

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(i) Project loans for SPVs

March 31, 2023: ₹1,01,369.83 millions; March 31, 2022: ₹ 94,124.22 millions; pertains to term loans taken by SPV's (Special Purpose Vehicles) for Project financing.

Rate of interest

Rate of interest on the Indian Rupee loan from banks and financial institutions varies from 7.75% to 10.75% p.a. (March 31, 2022: 8.25% to 10.40% p.a.) and are secured by pledge of shares of its subsidiaries and subservient charge on the current assets of the company to the extent of 125% of the outstanding loan.

Nature of security

i) Secured by first charge on the movable/immovable asset by way of mortgage/hypothecation; first charge on all intangible assets, present and future; assignment of all receivables; book debts and all rights and interest in project, both present and future, excluding the Project Assets of respective companies;

ii) Secured by first charge on the Escrow Account, Debt Service Reserve Account and any other reserves and other bank accounts of the respective Companies.

iii) An irrevocable and unconditional corporate guarantee from IRB Infrastructure Developers Limited to meet shortfall (if any) between debt due and termination payments received from Concessioning Authority in case of termination of Concession Agreement for any reason in case of Project SPV's.

Repayment terms

The Indian rupee loans are repayable in structured monthly installments commencing after commercial operation date such that the total tenor does not exceed 17 years and repayable as per the repayment schedule specified in common loan agreement with the Lenders.

Note : 17 : Trade payables

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 29)	1.61	3.69
Total outstanding dues of creditors other than micro and small enterprises		
- Related parties (refer note 34)	13,812.18	10,022.93
- Others	1,491.69	1,191.71
Total	**15,305.48**	**11,218.34**

Note 18 : Other financial liabilities

(₹ in Millions)

Units issued, subscribed and fully paid	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Obligation for construction	1,102.31	-	2,009.01	-
Directors sitting fees payable	0.44	-	0.36	-
Deposit	1.18	-	1.13	-
Retention money payable				
- Related parties (refer note 34)	636.46	-	256.48	-
- Others	295.83	2.77	336.92	-
Revenue share payable	345.46	-	225.81	-
Other payable				
- Related parties (refer note 34)	167.70	35,778.03	193.42	35,168.79
Total	**2,549.37**	**35,780.80**	**3,023.13**	**35,168.79**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note : 19 : Trade payables

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
a) Total outstanding dues of micro enterprises and small enterprises		
- Related parties	4,165.72	5,998.85
	4,165.72	**5,998.85**

Note 20 : Provisions

(₹ in Millions)

Particulars	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Others				
Major maintenance expenses		2,965.03	-	1,350.57
Total	**-**	**2,965.03**	**-**	**1,350.57**

The movement in provision for resurfacing expenses is as follows:

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Opening balance	1,350.57	357.84
Obligation on new toll projects	1,614.45	992.73
Utilised / reversed during the year	-	-
Closing balance	**2,965.03**	**1,350.57**

The above provisions are based on current best estimation of expenses that may be required to fulfill 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.

Note 21 : Other current liabilities

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Duties and taxes payable	64.12	129.65
Advance from customer- Others	34.03	10.50
Total	**98.15**	**140.15**

Note 22 : Revenue from operations

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Contract revenue (road construction)	11,672.04	1,054.48
Income from toll collection (gross)	21,097.46	12,377.44
Less - Revenue Share to NHAI	(5,671.70)	(1,779.36)
Income arising out of toll collection (net)	15,425.76	10,598.07
Revenue share to NHAI- Fastag	(185.44)	(212.87)
Other operating revenue	0.23	965.16
Total	**26,912.59**	**12,404.84**

Note 23 : Other income

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Interest income on		
- Bank deposits	178.88	73.64
- Others	7.17	8.05
Profit on sale of investments	62.95	13.93
Fair value gain on mutual funds	11.35	0.78
Other non operating income	2.73	3.73
Total	**263.08**	**100.13**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 24 : Road work and site expenses

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Contract expenses	11,330.91	1,036.47
Operation and maintenance expenses	1,471.41	939.15
Site and other direct expenses	0.00	-
Sub-contracting / Security expenses	0.35	0.72
Technical consultancy and supervision charges	62.84	53.20
Total	**12,865.52**	**2,029.53**

Note 25 : Depreciation and amortisation expenses

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment (refer note 4)	1.25	1.74
Amortisation on intangible assets (refer note 4)	2,809.17	1,673.16
Total	**2,810.42**	**1,674.90**

Note 26 : Finance cost

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Interest expense		
- Banks and financial institutions	7,387.76	8,670.13
- Debentures	1,617.52	-
- Unwinding of retention money	-	48.71
Other borrowing costs		
- Amortisation of Transaction cost	128.80	78.02
- Unwinding of discount on provision of MMR	143.04	39.64
- Interest unwinding on loan/retention money	48.71	-
- Interest unwinding of Trade Payable- Associates	765.06	655.78
- Others	163.82	46.44
Total	**10,254.69**	**9,538.70**

Note 27 : Other expenses

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Rent	0.03	0.24
Rates and taxes	81.75	31.64
Water charges	-	-
Travelling and conveyance	0.01	-
Director sitting fees	1.83	1.61
Legal and professional expenses	163.58	186.84
Corporate social responsibilities expenditure	-	8.00
Donations	2.50	-
Bank charges	2.83	5.54
Miscellaneous expenses	3.76	1.19
Fair value loss on measurement of other payable	-	-
Total	**256.29**	**235.06**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 27A : Payment to auditor (including GST)

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
As auditors:		
- Statutory audit fees	1.42	1.23
- Limited review fees	2.05	1.70
In other capacity	-	-
- Other services (certification fees)	1.37	0.17
Reimbursement of expenses	0.20	0.04
Total	**5.04**	**3.13**

Note 28 : Commitment and Contingencies

a. Leases

Rent / lease payments under operating lease are recognised as an expense in the Consolidated Statement of profit and loss on a straight line basis over the lease term.

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Operating lease		
a) Future lease rental payments under non-cancellable operating lease are as follows:-		
i) Not later than one year	-	-
ii) Later than one year and not more than five year	-	-
iii) Later than five year	-	-
b) Lease payment recognised in the consolidated statement of profit and loss	0.03	0.24
c) General description of the leasing agreement		
i) Leased assets – accommodation for employees	-	-
ii) Future lease rentals are determined on agreed terms	-	-

b. Capital commitments

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Estimated value of contracts in capital account remaining to be executed	14,295.07	625.98

c. Contingent liabilities

Contingent liabilities not provided for

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Guarantees given by the Group to suppliers, government bodies and performance guarantee		
For Service Tax, ESIC, Custom Duty, Other Finance expenses and Stamp duty matters	-	-
Total	**-**	**-**

UTL, CGTL and KGTL have filed Writ petition with Hon'ble Rajasthan High Court with prayer to commence payment of Premium to National Highways Authority of India (NHAI) six months post actual completion of the project construction work. The Hon'ble High Court prima facie agreed with the contention of these companies and had provided interim relief from payment of premium. Vide judgement order dated 25th August, 2021, the Hon'ble High Court found merit in the contention of the companies and has directed the parties to resolve the dispute under Arbitration. The said matter is currently pending under Arbitration.

During the year premium payment to NHAI has been commenced in IRBHM and KGTL.

Note 29 : Trade payable

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis or the informntion and records available with the management, there are no overdue amount to the Micro and Small enterprises as defined in the Micro, Small Medium Enterprises Development Act, 2006 as set out in the following disclosures:

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the consolidated financial statement as at March 31, 2023 based on the information received and available with the Group.

Particulars	March 31, 2023	March 31, 2022
Principal amount remaining unpaid to any supplier as at the period end	1.61	3.69
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	-	-

a) MSME ageing schedule as at

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
MSME Undisputed Dues	-	-
Less than 1 year	1.61	3.69
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total dues to micro and small enterprises as per MSMED Act, 2006	**1.61**	**3.69**

There are no disputed dues to micro and small enterprises as per MSMED Act, 2006. The amounts payable to MSME are not due for payments.

b) Ageing of creditors other than micro enterprises and small enterprises as at

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Undisputed Dues		
Less than 1 year	7,438.37	13,369.16
1-2 Years	9,433.59	3,808.21
2-3 Years	2,559.45	12.82
More than 3 years	38.18	23.32
Total dues to creditors other than micro enterprises and small enterprises as at	**19,469.59**	**17,213.50**

There are no disputed dues to creditors other than micro enterprises and small enterprises.

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
c) out of the above unbilled amount	2,660.17	3,191.66

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 30 : Intangble Asset under development ageing schedule

a) Intangible asset under development

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Less than 1 year	2,339.97	1,055.74
1-2 Years	54.59	59.90
2-3 Years	27.11	175.24
More than 3 years		-
Total	**2,421.67**	**1,290.89**

b) Intangible asset under development

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
To be completed in		
Less than 1 year	2,421.67	1,290.89
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total	**2,421.67**	**1,290.89**

Note 31 : Fair values

The carrying values of financials instruments of the Group are reasonable and approximations of fair values.

(₹ in Millions)

Units issued, subscribed and fully paid	Carrying amount		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets				
Financial assets measured at amortised cost				
Loans	-	-	-	-
Other Financial assets	1,448.89	1,606.92	1,448.89	1,606.92
Financial assets measured at fair value through statement of Profit & Loss				
Investments (Quoted)	1,283.09	659.54	1,283.09	659.54
Financial assets measured at amortised cost				
Investments (Unquoted)	-	-	-	-
Trade receivable	84.67	51.55	84.67	51.55
Cash and cash equivalents	731.31	287.23	731.31	287.23
Other Bank balances	4,866.69	2,469.97	4,866.69	2,469.97
Financial liabilities				
Financial liabilities measured at amortised cost				
Trade payables	19,471.20	17,217.19	19,471.20	17,217.19
Borrowings	1,05,079.60	97,279.00	1,05,079.60	97,279.00
Other financial liabilities	38,330.17	38,191.92	38,330.17	38,191.92

The management assessed that the fair value of 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

The discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

Note 32 : 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 in 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.

Quantitative disclosures fair value measurement hierarchy for financial instruments as at March 31, 2023:

(₹ in Millions)

Units issued, subscribed and fully paid	March 31, 2023	Fair value measurement at end of the reporting year using		
	Current	Level 1	Level 2	Level 3
Assets				
Investments (Quoted)	1,283.09	1,283.09	-	-
Trade Receivable	84.67	-	-	84.67
Cash and cash equivalents	731.31	-	-	731.31
Bank balance other than above	4,866.69	-	-	4,866.69
Loans	-	-	-	-
Other Financial assets	1,448.89	-	-	1,448.89
Liabilities				
Borrowings	1,05,079.60	-	-	1,05,079.60
Trade Payable	19,471.20	-	-	19,471.20
Other financial liabilities	38,330.17	-	-	38,330.17

Quantitative disclosures fair value measurement hierarchy for financial instruments as at March 31, 2022:

(₹ in Millions)

Units issued, subscribed and fully paid	March 31, 2023	Fair value measurement at end of the reporting year using		
	Current	Level 1	Level 2	Level 3
Assets				
Investments (Quoted)	659.54	659.54	-	-
Trade Receivable	51.55	-	-	51.55
Cash and cash equivalents	287.23	-	-	287.23
Bank balance other than above	2,469.97	-	-	2,469.97
Loans	-	-	-	-
Other Financial assets	1,606.92	-	-	1,606.92
Liabilities				
Borrowings	97,279.00	-	-	97,279.00
Trade Payable	17,217.19	-	-	17,217.19
Other financial liabilities	38,191.92	-	-	38,191.92

There has been no transfer between Level 1, Level 2 & Level 3 during the year.

Note 33 : 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

The Board of Directors have 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, deposits, FVTOCI investments and derivative financial instruments.

Credit risk on financial assets

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Financial instruments

Credit risk from balances with banks, trade receivables, loans and advances and financial institutions is managed by the Group's management in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Company's board of directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Trade receivables and Loans and Advances

Customer credit risk and Loans and advances is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables and loan and advances. The Group has not identifed any impairment loss as at March 31, 2023.

The following table provides information about the ageing of gross carrying amount of trade recievables as at :

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Gross Carrying Amount		
Undisputed Trade recievables -considered good		-
Less than 6 months	33.02	-
6 months - 1 year	0.10	29.37
1-2 Years	29.37	0.51
2-3 Years	0.51	21.66
More than 3 years	21.66	
Total	**84.67**	**51.55**

Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

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.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

Notes to 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 on fixed rate borrowing. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Millions)

Balance of Fixed Deposit and Borrowings	Borrowings	Fixed Deposit	Borrowings	Fixed Deposit
	March 31, 2023		March 31, 2022	
- INR Millions	1,01,369.82	4,866.69	94,124.22	2,469.97
Increase in basis points				
- INR	50 bps	50 bps	50 bps	50 bps
Effect on profit before tax				
- INR Millions	(506.85)	24.33	(470.62)	12.35
Decrease in basis points				
- INR	50 bps	50 bps	50 bps	50 bps
Effect on profit before tax				
- INR Millions	506.85	(24.33)	470.62	(12.35)

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 from banks at an optimised cost.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at March 31, 2023	Carrying amt	Total	On Demand	Less than 1 year	1 to 5 years	> 5 years
Long term Borrowings (Gross of unamortised transaction cost)	1,06,725.97	1,06,725.97	5,350.72	784.93	17,853.83	82,736.49
Other financial liabilities	38,330.17	38,330.17	-	2,549.37	35,780.80	-
Trade payables	19,471.20	19,471.20	-	15,305.48	4,165.72	
Total	**1,64,527.34**	**1,64,527.34**	**5,350.72**	**18,639.78**	**57,800.35**	**82,736.49**

As at March 31, 2022	Carrying amt	Total	On Demand	Less than 1 year	1 to 5 years	> 5 years
Long term Borrowings (Gross of unamortised transaction cost)	98,243.70	98,243.70	4,085.74	633.43	14,152.24	79,372.29
Other financial liabilities	38,191.92	38,191.92	-	3,023.13	35,168.79	-
Trade payables	17,217.19	17,217.19	-	11,218.34	5,998.85	-
Total	**1,53,652.81**	**1,53,652.81**	**4,085.74**	**14,874.90**	**55,319.88**	**79,372.29**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 34 : Related party disclosures

List of Related parties of the Fund

(i)	Parties to the InvIT	IRB Infrastructure Developers Limited (Sponsor and Project Manager)
		MMK Toll Road Private Limited (Investment Manager)
		IDBI Trusteeship Services Limited (Trustee of the IRB Infrastructure Trust)
(ii)	Associates, Promoters, Directors and Partners of the persons mentioned in clause (i) and (ii)	As per table below

List of associates, promoters, directors and partners of the persons mentioned in clause (i) and (ii)

Particulars	**IRB Infrastructure Developers Limited (Sponsor and Project Manager)**	**MMK Toll Road Private Limited (Investment Manager)**	**IDBI Trusteeship Services Limited (Trustee of IRB Infrastructure Trust)**
Promoters	Mr. Virendra D. Mhaiskar	IRB Infrastructure Developers Limited (IRBIDL)	IDBI Bank Limited
	Mrs. Deepali V. Mhaiskar		LIC Corporation Limited
	Mr. Virendra D. Mhaiskar (HUF)		General Insurace Corporation
Directors	Mr. Virendra D. Mhaiskar	Mr. Virendra D. Mhaiskar	Mr. Samuel Joseph Jebaraj
	Mrs. Deepali V. Mhaiskar	Mr. Kunnasagaran Chinniah	Mr. Pradeep Kumar Jain
	Mr. Jose Tamariz Martel Goncer		Mrs. Jayashree Vijay Ranade
	Mr. Ravindra Dhariwal		Mr. Pradeep Kumar Malhotra
	Independent Directors	**Independent Directors**	Ms. Baljinder Kaur Mandal
	Mr. Chandrashekhar S. Kaptan	Mr. K G Krishnamurthy	
	Mr. Sunil H. Talati	Mrs. Ranjana Paranjape	
	Mr. Sandeep J. Shah		
	Mrs. Priti Savla		
Associates	**A) Holding Company of Sponsor / Project Manager** IRB Holding Private Limited (Formerly Mhaiskar Ventures Private Limited)		
	B) Subsidiary Companies of Sponsor / Project Manager **Project SPVs** 1. IRB Westcoast Tollway Limited (IRBWTL) 2. Solapur Yedeshi Tollway Limited (SYTL) 3. Yedeshi Aurangabad Tollway Limited (YATL) 4. Kaithal Tollway Limited (KTL) 5. AE Tollway Limited (AETL) 6. Udaipur Tollway Limited (UTL) 7. CG Tollway Limited (CGTL) 8. Kishangarh Gulabpura Tollway Limited (KGTL) 9. IRB Hapur Muradabad Tollway Limited (IRBHMTL) 10. Palsit Dankuni Tollway Private Limited (PDTPL)		
	Others 1. Ideal Road Builders Private Limited (IRBPL) 2. Mhaiskar Infrastructure Private Limited (MIPL) 3. Modern Road Makers Private Limited (MRMPL) 4. Aryan Toll Road Private Limited (ATRPL) 5. ATR Infrastructure Private Limited (ATRFL) 6. IRB Infrastructure Private Limited (IRBFL) 7. Thane Ghodbunder Toll Road Private Limited (TGTRPL) 8. Aryan Infrastructure Investments Private Limited (AIIPL) 9. IRB MP Expressway Private Limited (formerly known as NKT Road and Toll Private Limited) 10. MMK Toll Road Private Limited (MMK) 11. IRB Kolhapur Integrated Road Development Company Private Limited (IRBK)		

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Particulars	IRB Infrastructure Developers Limited (Sponsor and Project Manager)	MMK Toll Road Private Limited (Investment Manager)	IDBI Trusteeship Services Limited (Trustee of IRB Infrastructure Trust)
	12. Aryan Hospitality Private Limited (AHPL) 13. IRB Sindhudurg Airport Private Limited (IRBSA) 14. IRB Goa Tollway Private Limited (IRB Goa) 15. IRB PS Highway Private Limited (formerly known as MRM Highways Private Limited) (IRBPS) 16. IRB Ahmedabad Vadodara Super Express Tollway Private Limited (IRBAV) 17. MRM Mining Private Limited (Formerly "J J Patel Infrastructural and Engineering Private Limited") (Subsidiary of MRMPL) 18. GE1 Expressway Private Limited (formerly known as IRB PP Project Private Limited) 19. VK1 Expressway Private Limited (VK1) 20. Modern Estate (Partnership Firm) 21. Pathankot Mandi Highway Private Limited 22. Chittoor Thachur Highway Private Limited 23. Meerut Budaun Expressway Limited - Subsidiary upto October 14, 2022 and Entity with Joint Control w.e.f. October 15,2022 24. VM7 Expressway Private Limmited 25. Samakhiyali Tollway Private Limited w.e.f 14.03.2023		
	C) Other Associate Companies of Sponsor / Project Manager 1. Virendra D. Mhaiskar (HUF) 2. VCR Toll Services Private Limited 3. VDM Ventures Private Limited 4. DEUX Farming Films Private Limited 5. IRB Charitable Foundation		
	Key Managerial personnel of Project SPV Group (Only with whom Project SPV Group had transactions during the year/ there was balance outstanding at the year end) 1. Ms. Shilpa Todankar 2. Mr. Abhay Phatak (w.e.f. March 09, 2022) 3. Mr. Darshan Sangurdekar 4. Mr. Omprakash Singh 5. Mr. Chandrashekhar Kaptan 6. Mrs. Ranjana Paranjape (w.e.f October 06, 2021) 7. Mrs. Arati Taskar 8. Mr. Sudhir Rao Hoshing 9. Mr. Amitabh Murarka 10. Mr. Jitendra Sharma (upto February 28, 2022) 11. Mrs. Heena Raja (upto October 01, 2021)		

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

I. Related Party Transaction

(₹ in Millions)

Sr. No.	Particulars	Sponsor and Project Manager		Investment Manager		Fellow subsidiaries of Project SPV Group		Key Management Personnel of Project SPV Group		Trustee of IRB Infrastructure Trust	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	**Contract expenses**	**-**	**-**	**-**	**-**	**858.69**	**629.52**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	-	-	-	-	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-	-	-	858.69	629.52	-	-	-	-
2	**Operation & Main. Expenses**	**2,719.41**	**1,906.45**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	2,719.41	1,906.45	-	-	-	-	-	-	-	-
3	**Finance Cost -Interest unwinding on Trade payable**	**-**	**-**	**-**	**-**	**765.06**	**655.79**	**-**	**-**	**-**	**-**
	Modern Road Makers Private Limited	-	-	-	-	765.06	655.79	-	-	-	-
4	**Mobilisation advances recovered**	**509.07**	**743.02**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	509.07	743.02	-	-	-	-	-	-	-	-
5	**Material Aggregate Purchase**	**-**	**-**	**-**	**-**	**588.05**	**1,555.19**	**-**	**-**	**-**	**-**
	Modern Road Makers Private Limited	-	-	-	-	588.05	1,555.19	-	-	-	-
6	**Advance given including BG margin given**	**896.12**	**451.03**	**-**	**-**	**-**	**62.57**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	896.12	451.03	-	-	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-			-	62.57	-	-	-	-
7	**General advance recovered - EPC**	**-**	**394.25**	**-**	**-**	**-**	**62.48**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	-	394.25	-	-	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-			-	62.48	-	-	-	-
8	**Construction cost**	**11,171.92**	**8,484.71**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	11,171.92	8,484.71	-	-	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-			-	-	-	-	-	-
9	**Amount held up**	**77.81**	**-**	**-**	**-**	**74.86**	**2.76**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	77.81	-	-	-						
	Modern Road Makers Private Limited	-	-			74.86	2.76	-	-	-	-
10	**Retention / Held up release during Year**	**-**	**-**	**-**	**-**	**45.63**	**-**	**-**	**-**	**-**	**-**
	Modern Road Makers Private Limited	-	-	-	-	45.63	-	-	-	-	-
11	**Other payable**	**560.52**	**2,161.31**	**-**	**-**	**48.73**	**48.71**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	560.52	2,161.31	-	-	-	-	-	-	-	-
	Mhaiskar Infrastructure Private Limited	-	-	-	-	48.71	48.71	-	-	-	-
	Modern Road Makers Private Limited	-	-	-	-	0.02	-	-	-	-	-
12	**Expenses incurred on our behalf**	**-**	**1.77**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	-	1.77	-	-	-	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

I. Related Party Transaction

(₹ in Millions)

Sr. No.	Particulars	Sponsor and Project Manager		Investment Manager		Fellow subsidiaries of Project SPV Group		Key Management Personnel of Project SPV Group		Trustee of IRB Infrastructure Trust	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
13	**Unsecured Loan received**	**1,532.48**	**4,759.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	1,532.48	4,759.00	-	-	-	-	-	-	-	-
14	**Unsecured Loan repaid**	**267.50**	**4,828.83**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	267.50	4,828.83	-	-	-	-	-	-	-	-
15	**Units Issued**	**1,236.75**	**1,946.33**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	1,236.75	1,946.33	-	-	-	-	-	-	-	-
16	**Trade payable**	**212.45**	**-**	**-**	**12.88**	**12.80**		**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	212.45	-	-	-	-		-	-	-	-
	Modern Road Makers Private Limited	-	-	-	-	12.80		-	-	-	-
	MMK Toll Road Private Limited	-	-	-	12.88	-		-	-	-	-
17	**Additional Intangible Asset**	**-**	**-**	**-**	**-**	**-**	**7,148.39**	**-**	**-**	**-**	**-**
	Modern Road Makers Private Limited	-	-	-	-	-	7,148.39	-	-	-	-
18	**Deletion Intangible Asset**	**-**	**-**	**-**	**-**	**23.46**	**-**	**-**	**-**	**-**	**-**
	Modern Road Makers Limited	-	-	-	-	23.46	-	-	-	-	-
19	**Interest unwinding of Intangible Asset**	**-**	**-**	**-**	**-**	**33.74**	**-**	**-**	**-**	**-**	**-**
	Modern Road Makers Limited	-	-	-	-	33.74	-	-	-	-	-
20	**Investment Management Fees**	**-**	**-**	**56.52**	**42.48**	**-**	**-**	**-**	**-**	**-**	**-**
	MMK Toll Road Pvt Limited	-	-	56.52	42.48	-	-	-	-	-	-
21	**Trustee Fees**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5.30**	**3.33**
	IDBI Trusteeship Services Limited	-	-	-	-	-	-	-	-	5.30	3.33
22	**Director sitting fees paid**	**-**	**-**	**-**	**-**	**-**	**-**	**1.83**	**1.65**	**1.83**	**1.65**
	Mrs. Arati Taskar	-	-	-	-	-	-	0.06	-	0.06	-
	Mr. Darshan Sangurdekar	-	-	-	-	-	-	0.22	0.23	0.22	0.23
	Mr.Omprakash Singh	-	-	-	-	-	-	0.19	0.23	0.19	0.23
	Mr. Sudhir Hoshing	-	-	-	-	-	-	0.06	-	0.06	-
	Mr. Jitendra Sharma	-	-	-	-	-	-	-	0.41	-	0.41
	Mrs. Heena Raja	-	-	-	-	-	-	-	0.06	-	0.06
	Mr. C S Kaptan	-	-	-	-	-	-	0.33	0.39	0.33	0.39
	Ms. Shilpa Todankar	-	-	-	-	-	-	0.51	0.26	0.51	0.26
	Mrs.Ranjana Paranjape	-	-	-	-	-	-	0.13	0.05	0.13	0.05
	Mr. Abhay Pathak	-	-	-	-	-	-	0.25	0.02	0.25	0.02
	Mr. Amitabh Murarka	-	-	-	-	-	-	0.06	-	0.06	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

I. Related Party Balances

(₹ in Millions)

Sr. No.	Particulars	Sponsor and Project Manager		Investment Manager		Fellow subsidiaries of Project SPV Group		Key Management Personnel of Project SPV Group	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	**Short-term borrowings**	**477.81**	**477.81**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	477.81	477.81	-	-	-	-	-	-
2	**Trade payable**	**4,931.60**	**1,189.05**	**78.54**	**80.31**	**12,475.69**	**11,888.28**	**-**	**-**
	IRB Infrastructure Developers Limited	4,931.60	1,189.05	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-	-	-	12,475.69	11,888.28	-	-
	MMK Toll Road Private Limited	-	-	78.54	80.31	-	-	-	-
3	**Mobilisation advances**	**33.68**	**435.80**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	33.68	435.80	-	-	-	-	-	-
4	**Advance given**	**451.18**	**502.86**	**-**	**-**	**0.03**	**0.03**	**-**	**-**
	IRB Infrastructure Developers Limited	451.18	502.86	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-	-	-	0.03	0.03	-	-
5	**Retention payable**	**-**	**-**	**-**	**-**	**281.35**	**256.49**	**-**	**-**
	Modern Road Makers Private Limited	-	-	-	-	281.35	256.49	-	-
6	**Other payable including BG margin payable**	**32,246.65**	**31,711.77**	**-**	**-**	**3,697.39**	**3,648.68**	**-**	**-**
	IRB Infrastructure Developers Limited	32,246.65	31,711.77	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-	-	-	1,800.84	1,800.83	-	-
	IRB Goa Tollway Private Limited	-	-	-	-	1,544.86	1,544.86	-	-
	Mhaiskar Infrastructure Private Limited	-	-	-	-	351.69	302.98	-	-
7	**Other payable (Exp incurred on our behalf)**	**1.77**	**1.77**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	1.77	1.77	-	-	-	-	-	-
8	**Unsecured Loan / other payable**	**4,872.91**	**3,607.93**	**-**	**-**	**-**	**-**	**-**	**-**
	IRB Infrastructure Developers Limited	4,872.91	3,607.93	-	-	-	-	-	-
9	**Trade Receivable**	**-**	**-**	**-**	**-**	**0.61**	**0.51**	**-**	**-**
	Modern Road Makers Private Limited	-	-	-	-	0.61	0.51	-	-
10	**Expense payable**	**491.53**	**938.23**	**-**	**-**	**-**	**-**	**0.51**	**-**
	IRB Infrastructure Developers Limited	491.53	938.23	-	-	-	-	-	-
	Modern Road Makers Private Limited	-	-			-	-	-	-
	IDBI Trusteeship Services Limited							0.51	-
11	**Other receivable**	**-**	**-**	**0.08**	**-**	**-**	**-**	**-**	**-**
	MMK Toll Road Private Limited	-	-	0.08	-	-	-	-	-
12	**Director sitting fees Payable**	**-**	**-**	**-**	**-**	**-**	**-**	**0.44**	**0.43**
	Mr. Mukeshlal Gupta	-	-	-	-	-	-	-	-
	Mr. Dhananjay K. Joshi	-	-	-	-	-	-	-	-
	Mr. Ajay P. Deshmukh	-	-	-	-	-	-	-	-
	Mr. Rajendra kumar Agarwal	-	-	-	-	-	-	-	0.01

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Sr. No.	Particulars	Sponsor and Project Manager		Investment Manager		Fellow subsidiaries of Project SPV Group		Key Management Personnel of Project SPV Group	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Mrs. Aarti Taskar	-	-	-	-	-	-	0.01	-
	Mr. Darshan Sangurdekar	-	-	-	-	-	-	0.05	0.05
	Mr. Omprakash Singh	-	-	-	-	-	-	0.04	0.05
	Mr. Sudhir Hoshing	-	-	-	-	-	-	0.01	-
	Mr. Jitendra Sharma	-	-	-	-	-	-	0.02	0.09
	Mr. Rajpaul S. Sharma	-	-	-	-	-	-	-	-
	Mrs. Heena Raja	-	-	-	-	-	-	-	-
	Mr. C S Kaptan	-	-	-	-	-	-	0.08	0.11
	Mrs. Kshama Vengsarkar	-	-	-	-	-	-	-	-
	Miss Shilpa Todankar	-	-	-	-	-	-	0.13	0.09
	Mr. Abhay Pathak	-	-	-	-	-	-	0.07	-
	Mr. Amitabh Murarka	-	-	-	-	-	-	0.01	-
	Mrs. Ranjana Paranjape	-	-	-	-	-	-	0.03	0.03

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 35 : Capital management

Capital includes equity attributable to the unitholders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise unitholder 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 Project SPV Group may adjust the dividend payment to unitholders, 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.

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 Millions)

Particulars	March 31, 2023	March 31, 2022
Borrowings	1,05,079.60	97,279.00
Less: cash and cash equivalents (Note 10)	(731.31)	(287.23)
Net debt	**1,04,348.29**	**96,991.77**
Equity (Note 14 and 15)	77,533.53	77,396.04
Total equity	**77,533.53**	**77,396.04**
Capital and net debt	**1,81,881.82**	**1,74,387.81**
Gearing ratio (%)	**57.37%**	**55.62%**

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 period.

Note 36: 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, CIRIMD/DFII27i2016, 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 terms of the Investment Management Agreement, the fees will be paid to the Investment Manager for the services provided by it ("Management Fees"). The Management Fees have been revised for the Financial Year with the approval of the Unitholders, where the votes cast by Unitholders so entitled and voting in favor of a resolution are not less than one-and-a-half times the votes cast against such resolution. Pursuant to a resolution of the Unitholders, the Management Fees for the Financial Year 2023 has been revised to ₹47.70 millions

Note 37: Revenue share / premium payment to NHAI

(a) During the year ended March 31, 2023, the Group has paid/accrued ₹ 5,671.70 millions (March 31, 2022, ₹ 1,779.36 millions) 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) During the year ended March 31, 2017, AE Tollway Limited (AETL) has entered into a Concession agreement (CA) with NHAI for a period of 24 years. As per the terms of the CA, AETL has agreed to pay a premium in the form of "Additional Concession Fee" equal to ₹ 810.00 millions for the first year and each subsequent year such premium shall be determined by increasing the amount of premium in the respective year by an additional 5% as compared to the immediately preceding year. Management based on the legal opinion obtained and their evaluations of the terms of the CA, believes that such premium payable is restricted to the toll collection during the year and is in the form of revenue sharing arrangement.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Accordingly, the premium payable for the year is accounted for as revenue share. The said treatment has been followed in case of KGTL and IRBHM where premium payment has commenced during the current year.

Note 38: Grant from Government Authorities

As per Article 25 of the respective Concession Agreement with the National Highways Authority of India ('NHAI' or 'the Grantor'), the Concessionaires are entitled to receive Grant for meeting the part of the project cost subject to the conditions laid down in the concession agreement. The details are as under:

(₹ in Millions)

Name of the Company	Eligible for Grant	Grant received in FY 2016-17	Grant received in FY 2017-18	Grant received in FY 2018-19	Grant yet to be received
SYTL	1,890.00	1,391.70	403.80	94.50	-
KTL	2,340.00	1,533.79	806.21	-	-
YATL	5,580.00	-	4,230.24	1,349.76	-
IRBWTL	5,362.20	4,512.30	-	849.90	-
Total	**15,172.20**	**7,437.79**	**5,440.25**	**2,294.16**	**-**

Note 39 : Events after reporting period

The Trust has been listed on NSE from April 3, 2023.

Note 40: Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Project SPV Group has identified business segment in accordance with Indian Accounting Standard 108 "Operating Segment" notified under section 133 of the Companies Act 2013, read together with relevant rules issued thereunder. The Group has identified Built, Operate and Transfer ('BOT') as its single reportable segment. Moreover the Group's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

Note 41 : Debt payment history

(₹ in Millions)

Particulars	Opening Balance as on April 1, 2022	Loan availed during the period	Loan repaid during the period	Closing Balance as at March 31, 2023
Secured loan from Bank and Financial Institution	88,627.04	5,109.36	25,799.39	67,937.01
Debenture	5,497.18	28,060.00	124.36	33,432.82
Loan from related party	4,085.74	1532.48	267.5	5,350.72
Total	**98,209.96**	**34,701.84**	**26,191.25**	**1,06,720.55**

(₹ in Millions)

Particulars	Opening Balance as on April 1, 2021	Loan availed during the period	Loan repaid during the period	Closing Balance as at March 31, 2022
Secured loan from Bank and Financial Institution	85,269.71	4,066.31	708.98	88,627.04
Debenture	5,563.63		66.45	5,497.18
Loan from related party	4,155.57	3746.5	3816.326547	4,085.74
Total	**94,988.91**	**7,812.81**	**4,591.75**	**98,209.96**

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 42: Capitalisation Statement

(₹ in Millions)

Particulars	March 31, 2023
Shareholders' Funds:	
Unit Capital	87,929.33
Subordinate Debt	
Other Equity	(10,395.80)
Minority interest	0.81
Total Shareholders' Funds	**77,534.34**
Borrowings	
Borrowings from related parties	5,350.72
Long term borrowings	98,943.95
Current maturities of long term borrowings	784.93
Total Debt	**1,05,079.60**
Total Capitalisation	**1,82,613.94**

Note 43: Earnings Per Unit (EPU)

EPU amounts are calculated by dividing the profit for the period attributable to unit holders by the weighted average number of Units outstanding during the year.

The following reflects the income and share data used in the EPU computations:

(₹ in Millions)

Particulars	March 31, 2023	March 31, 2022
Profit attributable to unit holders for earnings	(2,271.59)	(4,435.98)
Weighted average number of Units for EPU	87,79,64,498	84,29,14,666
Face value per unit (in Rs)	100	100
Earning per unit (in ₹)	(2.59)	(5.26)

Note 44 : Corporate Social Responsibility (CSR) Activities :

(₹ in Millions)

Particulars		March 31, 2023	March 31, 2022
Gross amount required to be spent by the company during the period		-	5.69
a) Amount spent during the year ending on March 31, 2023	**In cash**	**Yet to be paid in cash for ongoing project**	**Total**
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above (including previous year unspent amount)	-	-	-
	-	**-**	**-**
	In cash	**Yet to be paid in cash for ongoing project**	**Total**
a) Amount spent during the year ending on March 31, 2022			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	8.00	-	8.00
b) Yet to be paid in cash for ongoing project	-	-	-
	8.00	-	8.00

Amount spent in the current is inclusive of unspent amount of precious year

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

Note 45 : Contributed Equity

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

Note 46 : 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 did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

vi) The Group has not declared a wilful defaulter by any bank/ financial institution or any other lender during the year.

Note 47 : Previous year comparatives

Previous period's figures have been regrouped/reclassified, wherever necessary, to confirm current period's classification.

Note 48 : Disclosure pursuant to Appendix - A to Ind AS 11 - " Service Concession Arrangements" ('SCA')

(A) Disclosures with regard to Toll Collection Rights (Intangible Assets)

Sr. No.	Name of Concessionaire	Start of concession period under concession agreement (Appointed date)	End of concession period under concession agreement	Period of concession since the appointed date	Construction completion date or expected construction completion date, as applicable
1	IRB Westcoast Tollway Limited	March 3, 2014	March 2, 2042	28 years	June 30, 2022
2	Solapur Yedeshi Tollway Limited	January 21, 2015	January 20, 2044	29 years	October 15, 2019
3	Yedeshi Aurangabad Tollway Limited	July 1, 2015	June 30, 2041	26 years	September 24, 2020
4	Kaithal Tollway Limited	July 15, 2015	July 14, 2042	27 years	March 29, 2019
5	AE Tollway Limited	August 1, 2016	July 31, 2040	24 years	November 24, 2020
6	Udaipur Tollway Limited	September 3, 2017	September 2, 2038	21 years from Appointed Date	June 01, 2021
7	CG Tollway Limited	November 4, 2017	November 3, 2037	20 years from Appointed Date	August 14, 2021
8	Kishangarh Gulabpura Tollway Limited	February 21, 2018	February 20, 2038	20 years from Appointed Date	June 30, 2022
9	IRB Hapur Moradabad Tollway Limited	May 28, 2019	May 26, 2041	22 years from Appointed Date	June 30, 2022
10	Palsit Dankuni Tollway Private Limited	April 2, 2022	April 1, 2039	17 years from Appointed Date	Under construction

Note:

The above BOT/ DBFOT projects shall have following rights/ obligations in accordance with the Concession Agreement entered into with the Respective Government Authorities:-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

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.

Note 49 : 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.

As per our report of even date
For Gokhale & Sathe
Chartered Accountants
ICAI registration number: 103264W

Sd/-
CA. Kaustubh Deshpande
Partner
Membership No.: 121011

Place: Mumbai
Date : 12.05.2023

For and on behalf of the Board of Directors of
MMK Toll Road Private Limited
(As Investment Manager to IRB Infrastructure Trust)
CIN : U45200MH2002PTC135512

Sd/-
Virendra D. Mhaiskar
Chairman
DIN : 00183554

Sd/-
Dhananjay K. Joshi
Chief Executive officer

Sd/-
Shilpa Todankar
Chief Financial officer

Sd/-
Kaustubh Shevade
Company secretary
Membership No. A27833

Place : Mumbai
Date : 12.05.2023

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