



Tumkur - Chitradurga Highway

HEADING AHEAD

Steady & Stable

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Tumkur - Chitradurga Highway

Corporate Information

IRB InvIT Fund (Trust)

Registered Office

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

SEBI Registration No:

IN/InvIT/15-16/0001
Tel.: 022 6640 4299
Fax: 022 6640 4274
E-mail: info@irbinvit.co.in
Website: www.irbinvit.co.in

Compliance Officer:

Ms. Swapna Vengurlekar

Bankers/Lenders

State Bank of India
IDFC First Bank Limited

Auditors

Suresh Surana & Associates LLP

Securities Information

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

Investment Manager

IRB Infrastructure Private Limited
CIN: U28920MH1997PTC112628

Registered Office

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

Board of Directors

Mr. R. P. Singh
Chairman of the Board

Mr. Vinod Kumar Menon
Whole-time Director and CEO

Mr. Sunil Tandon
Independent Director
(w.e.f. June 5, 2020)

Mr. Sumit Banerjee
Independent Director
(up to July 31, 2020)

Mr. B. L. Gupta
Independent Director
(up to May 24, 2020)

Key Managerial Personnel

Mr. Vinod Kumar Menon
Whole-time Director and CEO

Mr. Rushabh Gandhi
Chief Financial Officer
(w.e.f. March 26, 2021)

Mr. Tushar Kawedia
Chief Financial Officer
(up to March 26, 2021)

Ms. Swapna Vengurlekar
Company Secretary and
Compliance Officer

Trustee of the Trust

IDBI Trusteeship Services Limited

Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate
Mumbai – 400 001
Tel.: +91 22 4080 7000
Fax: +91 6631 1776
E-mail: itsl@idbitrustee.co.in

Contact Persons

- Mr. Shivaji Gunware
- Mr. Naresh Sachwani

Registrar & Transfer Agent

Kfin Technologies Private Limited
(Formerly known as Karvy Fintech Pvt. Ltd.)
Selenium Building, Tower B,
Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 032
Tel.: +91 40 6716 2222, 7961 1000

Valuer

Mr. S. Sundararaman
5B, "A" Block, 5th Floor,
Mena Kampala Arcade, New #18 & 20,
Thiagaraya Road, T. Nagar,
Chennai – 600 017
Tel: +91 44 2815 4192
Fax: +91 44 4213 2024
IBBI Registration Number -
IBBI/RV/06/2018/10238

Review Opinion Report

Baker Tilly DHC Business Private Limited
Devarati, 1st Floor,
8 Dr Rajendra Road,
Kolkata-700 020

IRB InvIT: Striding Ahead Sustainably

IRB InvIT Fund (IRB InvIT) is India's first infrastructure investment trust registered under the InvIT Regulations to own, operate and maintain road assets.

Over the years, we have established a robust portfolio of toll generating road assets from our sponsors which are efficiently operated and maintained to generate sustained high cash flows for distribution among unitholders. This is backed by our solid financial structure and management which ensures low finance cost. We continue to review our portfolio and explore ways to drive more value creation.

Surat - Dahisar Highway

Profile

IRB InvIT was established in 2017 to provide investors an opportunity to invest in road infrastructure assets. Focused on this, the Trust raised capital by issuing units to investors, which was subsequently listed on the stock exchanges. The Trust has obtained the Registration no. IN/InvIT/15-16/0001 from the Securities and Exchange Board of India (SEBI), under its Infrastructure Investment Trusts Regulations, 2014.

Our reputation

Top-class credit rating

- CARE AAA/Stable from CARE ratings
- IND AAA/Stable from India ratings

Stable returns

₹ 41.30/unit

of distribution in less than 4 years

₹ 2,397 Crores

cash distributed to unit holders in less than 4 years

Our portfolio

We have a geographically diverse portfolio of seven toll road assets across the states of Maharashtra, Gujarat, Punjab, Karnataka, Tamil Nadu and Rajasthan. These assets are operated and maintained pursuant to National Highways Authority of India's (NHAI) concessions. Our portfolio includes:

Surat - Dahisar BOT Project

239 km

six-lane carriageway

Tumkur - Chitradurga Project

114 km

six-lane carriageway

Bharuch - Surat BOT Project

65 km

47.35 km six-lane and
17.65 km four-lane

Jaipur - Deoli BOT Project

148.77 km

four-lane carriageway

Omalur - Salem - Namakkal BOT Project

68.63 km

four-lane carriageway

Talegaon - Amravati BOT Project

66.73 km

four-lane carriageway

Pathankot - Amritsar BOT Project

102.42 km

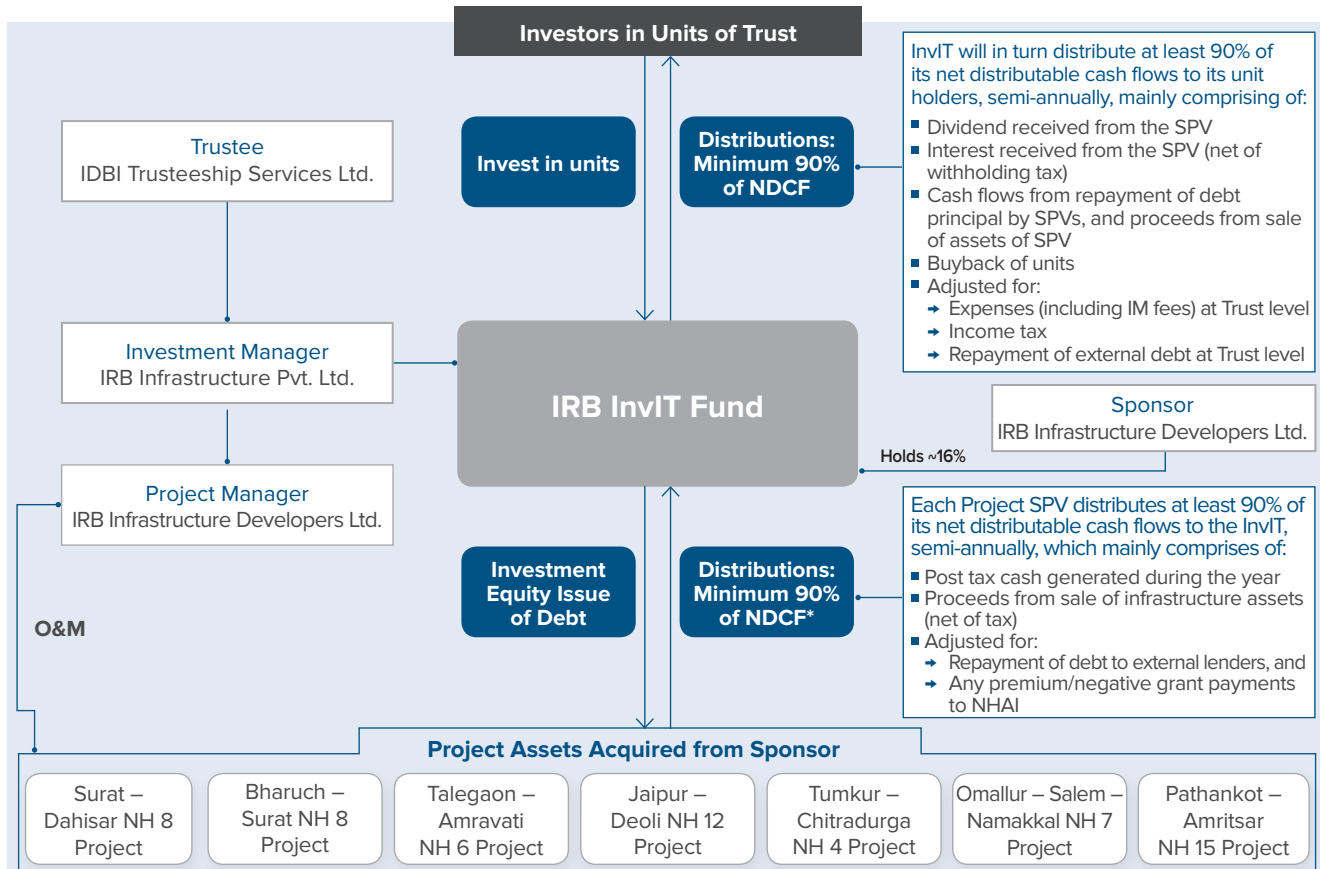
four-lane carriageway

Delivering value with trusted and experienced stakeholders

The Trust comprises established & reputed sponsor/project manager, investment manager and trustee to achieve growth & steady returns.

Sponsor and Project Manager	Investment Manager	Trustee
IRB Infrastructure Developers <p>Who Amongst India's leading private roads and highways infrastructure developers with one of the largest portfolio of 23 projects aggregating 12,975 lane kms. They have 20% share in India's prestigious golden quadrilateral project.</p> <p>Their portfolio: 23 projects:</p> <ul style="list-style-type: none"> • 1 Toll-Operate-Transfer (TOT) • 3 Hybrid Annuity Model (HAM) • 19 Build-Operate-Transfer (BOT) <ul style="list-style-type: none"> – 9 under Private InvIT and 7 under Public InvIT as Project Manager with O&M Contracts – 3 under Tolling & Construction <p>Their role: Manage projects and offer eligible assets.</p>	IRB Infrastructure Private Limited <p>Who A 100% subsidiary of the Sponsor, they have 19 years of experience in operating a road BOT and in developing, operating and maintaining infrastructure sector toll plazas.</p> <p>Their role: Make investment (further investment / divestment) decisions with respect to the underlying assets or projects of the Trust in accordance with the InvIT Regulations and the Investment Management Agreement.</p>	IDBI Trusteeship Services Limited <p>Who A SEBI registered professionally managed Trusteeship Company jointly promoted by IDBI Bank, Life Insurance Corporation and General Insurance Corporation. They have vast experience in providing corporate and other trusteeship services to multiple corporates and institutions across sectors.</p> <p>Their role: Represent unitholders and oversee the performance of Investment Manager and Project Manager.</p>

Structure of IRB InvIT Fund



* Subject to applicable regulations

Environmental, Social and Governance (ESG)



ENVIRONMENTAL

Well defined, planned and demonstrated approach and commitment towards Environment and Society, in which the Organization operates, is need of the hour in today's business environment. We carry along with us the 'We Care' attitude towards environment and society above all.

What we do –

- Our commitment is to make parties to the Trust to imbibe 'We Care' attitude towards environment and society through their respective functions and initiatives.
- The project manager, while carrying out O&M of the Assets under Trust, is advised to undertake all such activities and initiatives pertaining to the environment consciousness and betterment of society.
- The Trust and the Project Manager are committed to deploying of advanced technology based equipments and machinery along with the systems driven approach in all process involved to achieve better productivity and efficiency.
- The Trust and the Project Manager are committed to ensure adequate tree plantations, re-cycling of construction materials, initiatives for water conservation and ensure minimal impact of operations on environment, aiming at improving efficient use of resources over time with low-carbon footprint.



SOCIAL

Employees:

Employees are important stakeholders and valuable asset for the organization and its efficient utilization can aid the growth of the Trust. The Investment Manager ensures that Trust and the parties to the Trust consistently practice policies & procedures which care for employees' health and safety, which are the areas for constant improvement.

What we do –

- The Investment Manager ensures that parties to the Trust imbibe culture of safety and health excellence through strong leadership and peoples' commitment at all levels.
- It is our prime objective to have zero high risk incidents within our business by working towards executing constant health and safety principles laid down by Govt. agencies.
- Our talent acquisition process is aimed at hiring people from diverse expertise and engaging with them continuously for better efficiency to achieve better operational performance at reduced costs and risks.

- The Investment Manager facilitates the local growth of people and economy through Project Manager which engages with local resources for supply of goods and services, as well as provides employment to the local people.

Giving back to Society:

At Trust, our aim is to respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

What we do –

Our focus is on making lasting positive changes to the society and to achieve this objective, we have been working with the parties to Trust encouraging them to promote and facilitate social welfare initiatives in close coordination with Local Bodies, voluntary organizations and other Government Departments in the field of health and education, with special focus on girl child education.



GOVERNANCE

Stakeholder Interest

Building strong Stakeholder Relations through becoming the listening organization to address stakeholders' issues as a priority matter, interacting with the Regulators towards better regulatory framework in the interest of all stakeholders.

Board of Directors

The Trust is managed by Investment Manager. 2/3rd board of the Investment Manager consists of Independent Directors. The management of the Investment Manager is governed by an experienced Board of Directors and professionals who have made strategic contribution in development of Infrastructure sector and Banking over last 4 decades.

Auditors

Since its inception in 2017, the Trust is audited by renowned Audit firm.

Electronic Toll Collection

Electronic Toll Collection has reached more than 90% in FASTag/ ETC bringing more efficiency and transparency.

Trustee

IDBI Trusteeship Services Ltd has been playing active role in ensuring that the conduct of the business of the Trust is carried out in line with the objectives of the Trust and regulations.

The Investment Manager has also laid out policies to carry on the business of the Trust in an ethical manner and ensures parties to the Trust adhere to the Code of Conduct for business adopted by the Trust.

Operating Resiliently Amidst Unprecedented Challenges

FY 2020-21 was a challenging year of unprecedented scale which significantly impacted all sectors of the economy, including all activities relating to the highway infrastructure development. Despite this, our robust and diversified portfolio enabled us to deliver resilient performance, manifesting the quality of the Trust in selecting right assets and managing them efficiently.

Surat - Dahisar Highway

FY 2020-21 started with COVID-19 led stringent lockdown for nearly two months which significantly reduced travels and business activities, impacting toll collections across all projects. The subsequent staggered re-opening and continued fear of the pandemic resulted in slower uptake in economic activities for the next couple of months.

As we began to see revival, an extended period of farmers' protests in Punjab completely stopped toll collections at our Pathankot - Amritsar BOT project for nearly six months. As a result, the overall gross toll collections for the year reduced by 10%.

The Government has also been mindful of stretched liquidity of developers in these turbulent times due to persistent

lockdown and reduced traffic numbers, and has accordingly provided support in the form of Moratorium extended by RBI and COVID loan extended by NHAI for mitigating cash losses. To compensate revenue loss due to the pandemic, Finance Ministry has notified a scheme for extension of the concession period by a minimum of 90 and maximum of 180 days as well as increase in construction period. We are eligible for 90 days extension in concession period for most of the projects.

We have, however, filed interim claims for the Pathankot - Amritsar BOT project as per the provision of the concession agreement. We expect to receive compensation as per the Force Majeure Clause under Concession Agreement i.e. cash compensation and extension to concession period to protect NPV.

A challenging year and a resilient performance

19 days

of complete toll collection stoppage across all assets in April 2020 due to pandemic lockdown

~123 days

Lower toll collection across all assets during May to August 2020 due to staggered reopening of economy

~6 months

of complete toll collection stoppage at Pathankot - Amritsar BOT project during October 2020 to March 2021 due to farmer protest

₹ 14,526.76 Million

Total Gross Toll Collections
(₹ 16,057.50 Million in FY 2019-20)

₹ 11,609 Million

Total Consolidated Income
(₹ 12,701 Million in FY 2019-20)

₹ 9,343 Million

EBITDA
(₹ 10,218 Million in FY 2019-20)

Numbers in bracket represent FY 2019-20 figures

Project-wise Performance



IDAA Infrastructure Limited (IDAA) Bharuch – Surat

Gross Toll Collections

₹ 2,370.37 Million
(₹ 2,470.56 Million)

Net Income

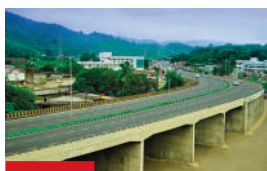
₹ 2,375 Million
(₹ 2,480 Million)

EBITDA

₹ 1,787 Million
(₹ 1,883 Million)

Traffic Movement ('000)

9,518



IRB Surat Dahisar Tollway Limited (IRBSD) Surat – Dahisar

Gross Toll Collections

₹ 6,669.13 Million
(₹ 7,214.12 Million)

Net Income

₹ 3,399 Million
(₹ 3,757 Million)

EBITDA

₹ 2,991 Million
(₹ 3,259 Million)

Traffic Movement ('000)

32,215



IRB Talegaon Amravati Tollway Limited (IRBTA) Talegaon – Amravati

Gross Toll Collections

₹ 719.76 Million
(₹ 720.48 Million)

Net Income

₹ 726 Million
(₹ 733 Million)

EBITDA

₹ 553 Million
(₹ 523 Million)

Traffic Movement ('000)

2,731



IRB Jaipur Deoli Tollway Limited (IRBJD) Jaipur – Deoli

Gross Toll Collections

₹ 1,019.44 Million
(₹ 1,008.69 Million)

Net Income

₹ 1,043 Million
(₹ 1,028 Million)

EBITDA

₹ 606 Million
(₹ 621 Million)

Traffic Movement ('000)

4,626



IRB Tumkur Chitradurga Tollway Limited (IRBTC) Tumkur - Chitradurga

Gross Toll Collections

₹ 2,333.13 Million
(₹ 2,399.59 Million)

Net Income

₹ 2,681 Million
(₹ 2,559 Million)

EBITDA

₹ 2,612 Million
(₹ 2,364 Million)

Traffic Movement ('000)

12,122



M.V.R Infrastructure & Tollways Limited (MVR) Omallur - Salem - Namakkal

Gross Toll Collections

₹ 959.78 Million
(₹ 1,012.53 Million)

Net Income

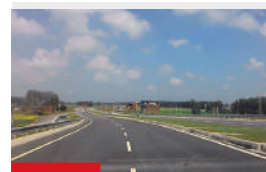
₹ 755 Million
(₹ 830 Million)

EBITDA

₹ 647 Million
(₹ 726 Million)

Traffic Movement ('000)

6,505



IRB Pathankot Amritsar Toll Road Limited (IRBPA) Pathankot - Amritsar

Gross Toll Collections

₹ 455.15 Million
(₹ 1,231.53 Million)

Net Income

₹ 596 Million
(₹ 1,251 Million)

EBITDA

₹ 189 Million
(₹ 919 Million)




Traffic Movement ('000)

1,634




Numbers in bracket represent FY 2019-20 figures

Performing Sustainably over the Years




Total Consolidated Income (₹ in Million)

FY 2020-21		11,609
FY 2019-20		12,701
FY 2018-19		12,334




Consolidated Toll Revenues (₹ in Million)

FY 2020-21		11,034
FY 2019-20		12,360
FY 2018-19		11,960




EBITDA (₹ in Million)

FY 2020-21		9,343
FY 2019-20		10,218
FY 2018-19		9,989




Depreciation (₹ in Million)

FY 2020-21		6,081
FY 2019-20		6,854
FY 2018-19		6,405

Profit after Tax (₹ in Million)

FY 2020-21		1,808
FY 2019-20		1,727
FY 2018-19		1,978

Net Distributable Cash Flows (₹ in Million)

FY 2020-21		5,346
FY 2019-20		6,068
FY 2018-19		7,639

Note:

- Total income comprises Revenue from Operations and Other Income.
- Performance for FY 2020-21 was impacted due to extended lockdown, subsequent staggered re-opening and farmers' protest.

Investment Manager's Message

Dear Unitholders,

On behalf of the Board of Directors of Investment Manager, it gives me great pleasure to share the performance highlights of the IRB InvIT Fund ("the Trust") for the financial year 2020-21 with you.

During the Financial year 2020-21, the rapid spread of COVID-19 pandemic led to an alarming loss of human lives worldwide and unprecedented adverse impact on businesses across the globe. Countrywide lockdown was imposed in India on March 24, 2020, which continued into this financial year as well.

Traffic movement was permitted and toll collection resumed from April 20, 2020, followed by a gradual opening up of the economy. Collection in April 2020 had reduced to 35% of the pre-COVID collection numbers. However, there was a good increase in toll collection in May and June 2020 which touched almost 80% of pre-COVID levels in July 2020. We witnessed good growth in revenue from September 2020 and the same continued till the end of the financial year 2020-21.

Due to the ongoing farmers' protest, tolling in Amritsar - Pathankot project was affected and collections were halted since the beginning of October 2020. We have intimated NHAI of this event and sought compensation under the Force Majeure clause of the Concession Agreement.

The Government has also been mindful of stretched liquidity of developers in these turbulent times due to persistent lockdown and reduced traffic numbers – and has accordingly provided support in the form of Moratorium extended by RBI and COVID loan extended by NHAI for mitigating cash losses. To compensate revenue loss due to the pandemic, Finance Ministry has

notified a scheme for extension of the concession period by a minimum of 90 and maximum of 180 days. We are eligible for 90 days extension in concession period for most of the projects.

Our toll collection through FASTag (ETC) has reached more than 90%. This has increased operational efficiency and transparency. We have already facilitated vaccination of more than 69% of our employees.

We have received extension of 460 days for concession of Surat - Dahisar project. The Trust continues to enjoy AAA rating for its debt. We have also been benefited by reduction in the interest rate on our outstanding loan – from 8.15% to 7.60% p.a.

Financial year 2020-21 was an exceptional and unprecedented year due to the pandemic. Despite the challenges it posed, your Trust ensured a distribution of ₹ 8.50 per unit for the year.

To conclude, I once again express my sincere gratitude to all the unitholders for continued faith in the Trust and the valuable support and guidance from time to time.

Thank you.

R. P. Singh

Chairman

Investment Manager of the Trust



Financial year 2020-21 was an exceptional and unprecedented year due to the pandemic. Despite the challenges it posed, your Trust ensured a distribution of ₹ 8.50 per unit for the year.

Report of Investment Manager

for the year ended March 31, 2021

Activities of the Trust

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

The Trust owns, operates and maintains a portfolio of seven toll-road assets in the Indian states of Maharashtra, Gujarat, Rajasthan, Karnataka, Tamil Nadu and Punjab. These toll roads are operated and maintained pursuant to concessions granted by the NHAI. The Trust is listed on both the Stock exchanges i.e. National Stock Exchange of India Limited and BSE Limited since May 18, 2017.

Financial Statements

The Summary of financial information on Consolidated & Standalone Financial Statement of the Trust as on March 31, 2021 is as follows:

Particulars	(Amt in Lakhs)			
	Consolidated		Standalone	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Total Income	116,088.81	127,009.19	57,901.75	60,054.45
Total Expenditure	98,006.50	109,726.51	12,447.90	13,945.35
Profit before Tax	18,082.31	17,282.68	45,453.85	46,105.10
Less: Provision for Tax				
Current Tax	(1.85)	12.74	-	-
Profit after Tax	18,084.16	17,269.94	45,453.85	46,105.10
Add: Profit at the Beginning of the Year	(80,227.27)	(49,911.00)	(1,787.04)	(291.14)
Profit Available for Appropriation	(62,143.11)	(32,641.06)	43,666.81	45,813.96
Appropriations:				
Unit Issue Expenses	-	-	-	-
Interest Distribution	(33,669.00)	(47,601.00)	(33,669.00)	(47,601.00)
Other Comprehensive Income/(Loss) for the Period	(38.68)	14.79	-	-
Balance Carried Forward to Balance Sheet	(95,850.79)	(80,227.27)	9,997.81	(1,787.04)

Management Discussion and Analysis

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

Assets of the Trust

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

Particulars	IDAA Infrastructure Limited (IDAA)	IRB Surat Dahisar Tollway Limited (IRBSD)	IRB Talegaon Amravati Tollway Limited (IRBTA)	IRB Jaipur Deoli Tollway Limited (IRBJD)	IRB Tumkur Chitradurga Tollway Limited (IRBTC)	M.V.R. Infrastructure And Tollways Limited (MVR)	IRB Pathankot Amritsar Toll Road Limited (IRBPA)
Concession period (in years)	15	12	22	25	26	20	20
Concession start date	January 2, 2007	February 20, 2009	September 3, 2010	June 14, 2010	June 4, 2011	August 14, 2006	December 30, 2010
Concession end date without reduction/ extension	January 1, 2022	February 19, 2021	September 2, 2032	June 13, 2035	June 3, 2037	August 13, 2026	December 30, 2030
Concession end date with reduction/ extension	April 25, 2022	May 25, 2022	May 20, 2037	October 4, 2040	September 25, 2037	December 20, 2026	October 21, 2035

IRB InvIT Fund

Particulars	IDAA Infrastructure Limited (IDAA)	IRB Surat Dahisar Tollway Limited (IRBSD)	IRB Talegaon Amravati Tollway Limited (IRBTA)	IRB Jaipur Deoli Tollway Limited (IRBJD)	IRB Tumkur Chitradurga Tollway Limited (IRBTC)	M.V.R. Infrastructure And Tollways Limited (MVR)	IRB Pathankot Amritsar Toll Road Limited (IRBPA)
Tolling start date	September 25, 2009	February 20, 2009	April 24, 2013	September 27, 2013	June 4, 2011	August 14, 2006	November 27, 2014
Total project cost (₹ in Million)	14,054.90	25,285.74	8,925.95	17,746.96	11,420.00	3,075.99	14,453.10
No. of Toll plazas	1	4	1	2	2	1	2
Km Length	65.00	239.00	66.73	148.77	114.00	68.63	102.42
Lane Km	390.00	1,434.00	267.00	595.00	684.00	275.00	410.00
State	Gujarat	Gujarat	Maharashtra	Rajasthan	Karnataka	Tamil Nadu	Punjab
National Highway	NH 8	NH 8	NH 6	NH 12	NH 4	NH 7	NH 15

The Trust has not invested in under-construction projects.

During the period, the Trust has neither acquired any new assets nor divested any of its existing Assets.

Project-wise Revenue from the Underlying Projects

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

Particulars	Q1*	Q2	Q3	Q4	(Amt in Lakhs)			
					For the Year ended 31 st March, 2021	For the Year ended 31 st March, 2020	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018 ***
IDAA	3,263.7	5,854.6	7,207.6	7,377.8	23,703.7	24,705.6	22,818.7	19,502.8
IRBSD	8,711.1	16,129.3	20,696.4	21,154.5	66,691.3	72,141.2	67,716.9	57,344.2
IRBTA	1,079.4	1,772.1	2,207.3	2,138.9	7,197.7	7,204.8	6,836.4	5,489.8
IRBJD	1,710.6	2,539.2	2,976.5	2,968.1	10,194.4	10,086.9	9,756.3	10,530.5
IRBTC	3,468.3	5,839.0	6,978.8	7,045.2	23,331.3	23,995.9	24,750.8	20,582.6
MVR	1,401.8	2,276.3	2,857.2	3,062.5	9,597.8	10,125.3	9,600.7	7,641.2
IRBPA**	1,646.0	2,769.7	135.7	-	4,551.4	12,315.3	12,185.7	6,060.7
Total	21,280.9	37,180.2	43,059.5	43,747.0	145,267.6	160,575.0	153,665.5	127,151.8

*Toll Collection for the quarter is for 72 days as tolling was suspended up to 19.04.2020 as per NHA Circular due to Covid-19 pandemic across the Country.

**Toll collection stopped due to farmer's protests in the state of Punjab in the month of October 2020 and company has filed interim claims as per the provisions of Concession Agreement.

***Toll collection numbers are not comparable as Pathankot Amritsar BOT Project was acquired on September 28, 2017 and Balance BOT Assets were transferred from May 9, 2017.

Summary of the Valuation

The Investment Manager has submitted full valuation report for the financial year ended March 31, 2021 as received from the Valuer with the Stock Exchanges within stipulated time period. The summary of full valuation report is enclosed as "Annexure A".

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

Valuation of Assets and NAV

Statement of Net Assets at Fair Value as at March 31, 2021

Particulars	Amt in Lakhs
A. Assets	1,427,483.33
B. Liabilities	819,384.76
C. Net Assets	608,098.57
Outstanding units	5,805
NAV at Fair Value (Per Unit)	104.75

Borrowings

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

Particulars	Opening Balance (April 1, 2020)	Loan availed / moratorium during the period	Loan repaid during the period	(Amt in Lakhs)
				Closing Balance (March 31, 2021)
Secured loan	147,820.46	4,119.45	4,309.46	147,630.45

Credit Rating

CARE Ratings Limited has reaffirmed "CARE AAA" to the Trust's long term bank facilities of ₹ 1,478.20 Crores with a stable outlook.

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

Investment Manager

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

Brief Profiles of the Investment Manager's Directors

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

Mr. Rajinder Pal Singh, aged 69 years, is an Independent Director and Chairman of the Board of Investment Manager. He holds a master's degree in mathematics from Advanced Centre for Pure Mathematics, Punjab University, Chandigarh. He taught pure mathematics & statistics to graduate classes, before he joined the Indian Administrative Service.

He has wide experience in regulatory areas of finance, industry, urban development and infrastructure. He worked both as Commissioner of Hyderabad Municipal Corporation & Vice Chairman of Hyderabad Urban Development Authority. He was also the Managing Director of Andhra Pradesh Industrial Development Corporation and Commissioner of Taxation in Andhra Pradesh. He was posted to Punjab & Sind Bank as its Chairman in March, 2005 to September, 2009.

He retired as Secretary to Government of India in the Department of Industrial Policy & Promotions and post retirement was appointed by the Government of India as Chairman of National Highways Authority of India (NHAI). At present, he is a Director of Maruti Suzuki India Limited, Nirlon Limited and Macrotech Developers Limited.

b) Mr. Vinod Kumar Menon (DIN : 03075345)

Mr. Vinod Kumar Menon, aged 55 years, is a Whole Time Director & Chief Executive Officer of the Investment Manager. He holds a Bachelor of Technology degree in Civil Engineering. He has experience in the field of infrastructure development and management. Previously, he was the president (Business Development) of the Sponsor. He currently serves as the vice-president of the National Highway Builder Federation – a non-profit organization.

c) Mr. Sunil Tandon (DIN : 00874257) (appointed w.e.f. June 5, 2020)

Mr. Sunil Tandon, aged 63 years, is an Independent Director of the Investment Manager. He is a former IAS officer with a master's degree in Business Administration (specialisation in Financial Management & Strategy) from the Strathclyde Business School, UK. He has over 41 years in the private sector and in the government; experience spans the entire spectrum from implementation of policy to policy formulation and conceiving and grounding of large infrastructure projects. He held positions of CEO and MD of various large corporates such as SKIL Group, Pipavav Port, Pipavav Rail, GMR Infrastructure, Capital Partners, 50 HZ India Private Limited, etc. He held senior positions in state and central governments and specialises in setting up ("concept to completion") large infrastructure projects (Ports, Defence Shipyards, Airports, Railways, Expressways, Special Economic Zones), project management and finance, joint ventures, mergers and acquisitions, public administration, public private partnership and advising corporates and state governments on risk mitigation strategies for large projects. He has worked with and advised State Governments of Madhya Pradesh, Chhattisgarh, Tamil Nadu, Andhra Pradesh, Gujarat, Rajasthan and Orissa, on large infrastructure projects and Public Private Partnerships. He also served as Nodal officer in the Ministry of Finance, Government of India for various projects financed by various foreign government agencies and organizations and worked with various foreign governments. He was former Chairman of several Infrastructure Committees of Trade bodies such as CII, Assocham and FICCI. He served as Secretary to the Union Minister of State for Finance and Deputy Secretary/Director in the Ministry of Finance.

- d) Mr. B. L. Gupta (DIN : 07175777) (upto May 24, 2020)**
Mr. B. L. Gupta, aged 66 years, is an Independent Director of the Investment Manager. He holds a Bachelor's degree in commerce and a Master of Business Administration degree. He is a certificated associate of the Indian Institute of Bankers. He has experience in banking, corporate and project finance. Previously, he was the chief general manager of India Infrastructure Finance Company Limited. He has completed second term as an Independent Director, accordingly ceased to be the Director of the Company w.e.f. May 24, 2020.
- e) Mr. Sumit Banerjee (DIN : 00213826) (upto July 31, 2020)**
Mr. Sumit Banerjee, aged 64 years, is an Independent Director of the Investment Manager. He holds a Bachelor of Technology degree in Mechanical Engineering and has completed a Management Education Programme. He is a fellow and a Chartered Engineer (India) of the Institution of Engineers. He has experience in the field of management. Previously, he served as the managing director of ACC Limited. He has completed second term as an Independent Director, accordingly ceased to be Director of the Company w.e.f. July 31, 2020.

Board Meetings

For the period ended March 31, 2021, the Board of Directors of Investment Manager of the Trust met 6 times on June 5, 2020, August 20, 2020, September 22, 2020, October 30, 2020, January 16, 2021 and March 26, 2021.

Further, circular resolutions were passed by the Board of Directors on August 21, 2020 and August 26, 2020.

Details regarding the attendance of the Directors at the Board Meetings held during the period ended March 31, 2021, are provided in the following table:

Director	No. of Board Meetings Attended
Mr. Rajinder Pal Singh	6
Mr. Vinodkumar Menon	6
Mr. Sumit Banerjee*	1
Mr. Sunil Tandon**	5
Mr. Bajrang Lal Gupta***	-

*Ceased w.e.f. July 31, 2020 due to completion of 2nd term as an Independent Director

**Appointed w.e.f. June 5, 2020 as an Independent Director

*** Ceased w.e.f. May 24, 2020 due to completion of 2nd term as an Independent Director

Brief Profiles of the Investment Manager's Key Personnel

- a) Mr. Vinod Kumar Menon**
For details in relation to Mr. Vinod Kumar Menon, see "Brief Profiles of the Investment Manager's Directors".
- b) Rushabh Gandhi (appointed w.e.f. March 26, 2021)**
Mr. Rushabh Rakesh Gandhi, aged 31 years, is a qualified Chartered Accountant (ICAI) and also holds a degree in Law. Previously, he served as the CFO of the Sponsor. He has been associated with IRB Group for more than 9 years. He has experience in Accounts, Audit, Finance, Taxation and business reorganisation. He has also been actively participating in the fund raising activities of IRB Group in last 6 years.
- c) Mr. Tushar Kawedia (upto March 26, 2021)**
Mr. Tushar Kawedia, aged 42 years, holds a Bachelor's Degree in Commerce and is a qualified Chartered Accountant (ICAI). Previously, he also served as the Deputy CFO of IRB Infrastructure Developers Limited. Prior to joining IRB Group, he was the Deputy General Manager (Accounts and Finance) at Reliance Infrastructure Limited. He has more than 15 years of experience in the fields of Accounts, Audit, Finance, Taxation and business reorganisation.
- d) Ms. Swapna Vengurlekar**
Ms. Swapna Vengurlekar, aged 30 years, has been designated as the Company Secretary and Compliance Officer by the Investment Manager with respect to the Trust. She joined the Sponsor Group in May 2015. She has done B.Com and LL.B. from Mumbai University. She is an associate member of the Institute of Company Secretaries of India. She has more than eight years of experience in the field of Corporate Affairs and Compliances of Company Law and Securities Law. Prior joining to Sponsor Group, she was associated with M/s. Makarand M. Joshi & Co., Practising Company Secretary and SKP Crossborder Consulting Private Limited.

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

As on March 31, 2021, as per the disclosures received from the Directors of Investment Manager, following Investment Manager's Director(s) holds Units of the Trust:

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

Summary of the Standalone Financial Statements of the Investment Manager

The Investment Manager has no subsidiaries. For a summary of the financial statements of the Investment Manager, as derived from the standalone financial statements of the Investment Manager, prepared in accordance with Ind AS and the Companies Act, 2013 as of and for the financial year ended March 31, 2021, please refer website of Investment Manager i.e. www.irbfi.co.in.

Mr. B. L. Gupta, Independent Director of the Company has completed second term as an Independent Director of the Investment Manager, accordingly ceased to be Director of the Company w.e.f. May 24, 2020.

Mr. Sunil Tandon was appointed as an Independent Director of the Investment Manager with effect from June 5, 2020 for a term of 3 years.

Mr. Sumit Banerjee, Independent Director of the Company has completed his second term as an Independent Director of the Investment Manager and accordingly ceased to be Director of the Company w.e.f. July 31, 2020.

Mr. Tushar Kawedia ceased to be the Chief Financial Officer of the Investment Manager and Mr. Rushabh Gandhi has been appointed as the Chief Financial Officer of the Investment Manager with effect from March 26, 2021.

Codes / Policies

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

Code of Conduct

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

Distribution Policy

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

Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons of IRB InvIT Fund (the "UPSI Policy")

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

Policy in relation to Related Party Transactions

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

Representatives on the Board of Directors of each Project SPVs

The Investment Manager, in consultation with the Trustee, has appointed the majority of the board of directors of Project

SPVs. Further, the Investment Manager ensures that in every meeting, including annual general meeting of Project SPVs, the voting of the Trust is exercised.

Committees

In compliance with requirement of the Companies Act, 2013 and Rules made thereunder, Investment Manager's Board of Directors constituted the following Committees as on March 31, 2021:

- i) Audit Committee;
- ii) Nomination and Remuneration Committee and
- iii) Corporate Social Responsibility Committee

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

i) Audit Committee

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

The Composition of Audit Committee as on March 31, 2021 consists of the following member's viz.:

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

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

The composition, role, terms of reference as well as powers of the Audit Committee are in accordance with the Section 177 of the Companies Act, 2013 and InvIT Regulations, as applicable.

The brief terms of reference of the Audit Committee, inter alia, includes overseeing of the Company's financial reporting process, reviewing the financial statements with the Management, recommending appointment/ re-appointment of auditors, fixation of audit fees, reviewing the adequacy of internal audit function, holding periodic discussions with auditors about their scope and adequacy of internal control systems, discussing on any significant findings made by Internal Auditor's and following it up with action. The Audit Committee also reviews the financials of IRB InvIT Fund and matters related thereto.

The Audit Committee met 5 times for the period ended March 31, 2021 viz. June 5, 2020, August 20, 2020, September 8, 2020, October 30, 2020 and January 16, 2021.

The following table presents the details of attendance at the Audit Committee meetings held during the period ended March 31, 2021:

Sr. No.	Name of the Member	No. of meetings attended
1.	Mr. Sunil Tandon#	4
2.	Mr. Vinod kumar Menon	5
3.	Mr. Sumit Banerjee*	1

#Appointed w.e.f. June 5, 2020 as an Independent Director

*Ceased w.e.f. July 31, 2020 due to completion of 2nd term as Independent Director

ii) Nomination & Remuneration Committee

The Nomination and Remuneration Committee comprises of Board of Directors of the Investment Manager.

The Composition of Nomination & Remuneration Committee as on March 31, 2021 consists of the following member's viz.:

1. Mr. Sunil Tandon, Chairman
2. Mr. R. P. Singh, Member
3. Mr. Vinod Kumar Menon, Member

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

The brief terms of reference of the Nomination and Remuneration Committee are to determine persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance, formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee met 2 times for the period ended March 31, 2021 viz. on June 5, 2020 and March 26, 2021.

The following table presents the details of attendance at the Nomination and Remuneration Committee meetings for the period ended March 31, 2021:

Sr. No.	Name of the Member	No. of meetings attended
1.	Mr. Sumit Banerjee*	1
2.	Mr. Rajinder Pal Singh	2
3.	Mr. Vinod kumar Menon	2
4.	Mr. Sunil Tandon#	1

#Appointed w.e.f. June 5, 2020 as an Independent Director

*Ceased w.e.f. July 31, 2020 due to completion of 2nd term as Independent Director

Remuneration Policy

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

The Policy ensures –

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

iii) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee comprises of board of directors of the Investment Manager.

The Composition of Corporate Social Responsibility Committee as on March 31, 2021 consists of the following members viz.:

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

The Corporate Social Responsibility Committee met on January 16, 2021 during the period ended March 31, 2021.

The following table presents the details of attendance at the Corporate Social Responsibility Committee meetings for the period ended March 31, 2021:

Sr. No.	Name of the Member	No. of meetings attended
1.	Mr. Sunil Tandon#	1
2.	Mr. Vinod kumar Menon	1

#Appointed w.e.f. June 5, 2020 as an Independent Director

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

1. formulate and recommend to the Board, a CSR Policy that shall indicate the activities to be undertaken by the company in the areas or subject specified in Schedule VII of the Companies Act, 2013 and rules made thereunder;
2. recommend of the amount of expenditure to be incurred on the activities referred to in clause (1) above; and
3. monitor the CSR Policy of the company from time to time.

Functions, Duties and Responsibilities of the Investment Manager

The functions, duties and responsibilities of the Investment Manager are in accordance with the Investment Management Agreement and the InvIT Regulations. The Board of the Investment Manager comprises of majority of the Independent Directors having extensive experience in Infrastructure Sector and Project financing. The business operations of the Investment Manager are managed by a team of professionals with experience in the road infrastructure sector.

Sponsor and the Project Manager

IRB Infrastructure Developers Limited is the Sponsor of the Trust. The Sponsor is India's largest integrated private toll roads and highways infrastructure developer in India, with an asset base of over ₹54,000 Crs. in 10 States across the parent company and two InvITs. The Sponsor has been listed on the Indian Stock Exchanges since 2008. As of March 31, 2021; the Sponsor's portfolio comprises of 23 projects including 19 Build- Operate-Transfer (BOT), 1 Toll- Operate-Transfer (TOT) and 3 Hybrid Annuity Model (HAM) projects. The BOT segment includes 9 projects under Private InvIT with Operation and Maintenance (O&M) contracts, 3 projects under Tolling, a recently awarded project awaiting Financial Closure and 7 projects under O & M contracts as a Project Manager/ Sponsor of IRB InvIT, thus aggregating to 12,975 lane km, along with 20% share in India's prestigious GQ project. It is the largest by any private highways infrastructure developers in India.

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

Functions, Duties and Responsibilities of the Project Manager

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

Trustee

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

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

Background of the Trustee

The Trustee is a trusteeship company registered with SEBI as a debenture trustee, and is jointly promoted by IDBI Bank Limited, Life Insurance Corporation 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) Venture Capital Fund (VCF) trustees/ Alternative Investment Fund (AIF) Trustees;
- vii) Safe keeping / lockers services;
- viii) Management of private trusts / execution of wills; and
- ix) Special corporate services (e.g. provision of nominee directors)

The Trustee has experience in providing trusteeship services to a range of corporates and institutions.

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

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

The Board of Directors of the Trustee as on March 31, 2021 is as follows:

Sr. No.	Name	Designation	DIN
1.	Mr. J. Samuel Joseph	Chairman	02262530
2.	Mr. Ravishankar G. Shinde	Director	03106953
3.	Ms. Madhuri J. Kulkarni	Director	07787126
4.	Mr. Satyajit Tripathy	Director	08681994
5.	Ms. Padma Betail	Managing Director and CEO	00937921

Valuer

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

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

General Disclosures

- 1) Except as stated otherwise in this report and in any other public disclosures, during the period under review, there are no changes in the clauses of trust deed, investment management agreement or any other agreement pertaining to activities of the Trust.
- 2) During the period, there are no material regulatory changes that had impacted or may impact cash flows of the underlying projects.
- 3) During the period, there is no change in material contracts or any new risk in performance of any contract pertaining to the Trust.
- 4) Except otherwise specified, 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 IRB InvIT Fund.
- 5) Except otherwise specified, during the period under review, there were no material changes, events or material and price sensitive information to be disclosed for IRB InvIT Fund.

- 6) Information of the contact person of the Trust

Ms. Swapna Vengurlekar

Compliance Officer

Address: IRB Complex, Chandivali Farm,
Chandivali Village,
Andheri (East), Mumbai – 400 072
Tel: +91 22 6640 4299
Fax: +91 22 6640 4274
E-mail: swapna.vengurlekar@irbfl.co.in

Unit Price Performance of the Trust

Particulars	BSE (₹)	NSE (₹)
Unit price quoted on the exchange at the beginning (Closing price of April 1, 2020)	26.35	26.30
Unit price quoted on the exchange at the end (Closing price of March 31, 2021)	53.40	53.55
Highest unit price (March 12, 2021)	60.00	-
Highest unit price (March 15, 2021)	-	60.01
Lowest unit price (April 1, 2020)	25.50	25.50

Yield Details:

Particulars	FY21	FY20	FY19	FY18
Yield (%) based on average market price as on April 1 and March 31	21%	22%	16%	11%

Monthly highest and lowest unit price

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2020	36.30	25.50	36.24	25.50
May, 2020	35.81	31.25	35.71	31.60
June, 2020	39.19	32.50	39.20	32.50
July, 2020	43.15	38.95	43.40	38.50
August, 2020	42.20	37.56	41.95	37.60
September, 2020	37.90	32.99	37.94	32.36
October, 2020	37.74	33.47	37.85	33.60
November, 2020	44.94	36.25	45.50	36.05
December, 2020	43.90	40.10	44.85	39.99
January, 2021	52.10	41.49	52.44	41.34
February, 2021	56.08	48.65	55.98	48.22
March, 2021	60.00	52.76	60.01	52.61

Average daily volume traded

Month	Average daily volume	
	BSE	NSE
April, 2020	74,861	702,500
May, 2020	19,868	471,842
June, 2020	145,357	448,523
July, 2020	19,565	167,391
August, 2020	93,571	307,619

Month	Average daily volume	
	BSE	NSE
September, 2020	39,091	319,773
October, 2020	32,381	346,190
November, 2020	47,625	378,875
December, 2020	62,727	551,818
January, 2021	104,875	654,125
February, 2021	58,375	668,250
March, 2021	82,738	686,190

Unitholding Pattern for the Year ended March 31, 2021

Category	Category of Unit Holder	No. of Unit Held	As a % of Total Outstanding Units	No. of units mandatorily held		Number of units pledged or otherwise encumbered	
				No. of units	As a % of total units held	No. of units	As a % of total units held
(A)	Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties						
(1)	Indian						
(a)	Individuals / HUF	14880000	2.56	0	0.00	0	0.00
(b)	Central/State Govt.	0	0.00	0	0.00	0	0.00
(c)	Financial Institutions/Banks	0	0.00	0	0.00	0	0.00
(d)	Any Other (specify)	0	0.00	0	0.00	0	0.00
	BODIES CORPORATES	92705000	15.97	0	0.00	87080000	15.00
	Sub- Total (A) (1)	107585000	18.53	0	0.00	87080000	15.00
(2)	Foreign						
(a)	Individuals (Non Resident Indians / Foreign Individuals)	0	0.00	0	0.00	0	0.00
(b)	Foreign government	0	0.00	0	0.00	0	0.00
(c)	Institutions	0	0.00	0	0.00	0	0.00
(d)	Foreign Portfolio Investors	0	0.00	0	0.00	0	0.00
(e)	Any Other (specify)	0	0.00	0	0.00	0	0.00
	Sub- Total (A) (2)	0	0.00	0	0.00	0	0.00
	Total unit holding of Sponsor & Sponsor Group* (A) = (A)(1)+(A)(2)	107585000	18.53	0	0.00	87080000	15.00
(B)	Public Holding						
(1)	Institutions						
(a)	Mutual Funds	38320000	6.60				
(b)	Financial Institutions/Banks	2200000	0.38				
(c)	Central/State Govt.	0	0.00				
(d)	Venture Capital Funds	0	0.00				
(e)	Insurance Companies	18910000	3.26				
(f)	Provident/pension funds	0	0.00				
(g)	Foreign Portfolio Investors	196212500	33.80				
(h)	Foreign Venture Capital investors	0	0.00				
(i)	Any Other (specify)	0	0.00				
	Sub- Total (B) (1)	255642500	44.04				
(2)	Non-Institutions						
(a)	Central Government/State Governments(s)/President of India	0	0.00				
(b)	Individuals	145014524	24.98				
(c)	NBFCs registered with RBI	110000	0.02				
(d)	Any Other (specify)	72147976	12.43				
	TRUSTS	3182500	0.55				
	NON RESIDENT INDIANS	3688334	0.64				

Category	Category of Unit Holder	No. of Unit Held	As a % of Total Outstanding Units	No. of units mandatorily held		Number of units pledged or otherwise encumbered	
				No. of units	As a % of total units held	No. of units	As a % of total units held
	CLEARING MEMBERS	930000	0.16				
	BODIES CORPORATES	64347142	11.08				
	Sub- Total (B) (2)	217272500	37.43				
	Total Public Unit holding (B) = (B) (1)+(B)(2)	472915000	81.47				
	Total Units Outstanding (C) = (A) + (B)	580500000	100.00				

* includes Units held by Associates / Related Parties of Investment Manager, Sponsor & Project Manager

Distributions

The Investment Manager on behalf of the Trust has made four distribution(s) aggregating to ₹ 8.50 /- per Unit for the period ended March 31, 2021 to the Unitholders of the Trust (₹ 6.50/- per Unit in the form of Interest & ₹ 2/- per Unit in the form of Return of Capital). The Distribution was paid to Unitholders within time period stipulated in InvIT Regulations.

Investor Complaints

The status of complaints is reported to the Board and the Trustee on a quarterly basis. During period ended March 31, 2021, the investor complaints received by the Company were general in nature, which were responded in time to the unitholders. Details of unitholders' complaints on quarterly basis are also submitted to stock exchanges.

Status report on number of Investor's complaints/requests received and replied by the Trust for the financial year 2020-21:

Investor Grievance Table for the Financial Year April 1, 2020 To March 31, 2021

Sl.	Complaints	Pending at the beginning of year (01.04.2020)	Received during the year	Disposed of during the year	Pending at the end of the year (31.03.2021)
1	Complaint received through SEBI	0	5	5	0
2	Status of applications lodged for public issue (s).	0	0	0	0
3	Non receipts for electronic credit	0	0	0	0
4	Non receipts of refund order	0	0	0	0
5	Non receipts of distribution	0	428	428	0
6	Non receipts of annual report	0	0	0	0

SEBI Complaints Redress System (SCORES)

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

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

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

Green Initiative

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

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

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

Issue and Buyback of Units

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

Material Litigations and Regulatory Actions

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

Risk Factors

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

Risks Related to our Organization and the Structure of the Trust

1. The debt financing provided by the Trust to each of the Project SPVs comprises of certain unsecured, interest-free and interest-bearing loans as well as loans that is secured by a subordinate charge on (i) the cash flows deposited in the escrow account and (ii) the escrow account of such Project SPV. The payment obligations of the respective Project SPVs in relation to such debt financing will be subordinated to all existing and future obligations of the Project SPVs towards any secured senior lenders.
2. Any payment by the Project SPVs, including in an event of termination of the relevant concession agreement, is subject to a mandatory escrow arrangement which restricts their flexibility to utilize the available funds.
3. The regulatory framework governing infrastructure investment trusts in India is untested 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 must maintain certain investment ratios, which may present additional risks to us.
5. The Valuation Report, and any underlying reports, are not opinions on the commercial merits of the Trust or the Project SPVs, nor are they opinions, expressed or implied, as to the future trading price of the Units or the financial condition of the Trust upon listing, and the valuation contained therein may not be indicative of the true value of the Project SPVs' assets.
6. Certain of the Project SPVs have experienced losses in prior years and any losses in the future could adversely affect our business, financial condition and results of operations, our ability to make distributions to the Unitholders and the trading price of our Units.
7. We may not be able to make distributions to Unitholders or the level of distributions may fall.

Risks Related to Our Business and Industry

8. 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.

9. The Project SPVs' toll-road concessions may be terminated prematurely under certain circumstances.
10. 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.
11. Certain investigations are pending against the Related Parties of the Sponsor, the outcome of which may materially and adversely affect the Sponsor / our reputation, business and financial condition.
12. IRB Tumkur Chitradurga Tollway Limited (ITCTL) and M.V.R. Infrastructure and Tollways Limited (MITL) are required to pay annual premiums / negative grants in consideration for being granted the right to build and operate their respective projects. Failure to make such payments could result in the termination of the relevant concession agreement by the NHAI.
13. Changes in the policies adopted by governmental entities or in the relationships of any member of the Trust Group with the Government or State Governments could materially and adversely affect our business, financial performance and results of operations.
14. 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.
15. We may be subject to increases in costs, including operation and maintenance costs, which we cannot recover by increasing toll fees under the concession agreements.
16. 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.
17. Leakage of the toll fees on the Project SPVs' roads may materially and adversely affect our revenues and financial condition.
18. We will depend on certain directors, executive officers and key employees of the Investment Manager, the Project Manager and the Project SPVs, and such entities may be unable to retain such personnel or to replace them with similarly qualified personnel, which could have a material, adverse effect on the business, financial condition, results of operations and prospects of the Trust Group.
19. 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.

20. The Project SPVs' concessions are illiquid in nature, which may make it difficult for us to realise, sell or dispose of our shareholdings in the Project SPVs.
 21. The Project SPVs may be required to undertake certain development of the Road Assets owned by the Trust, which may present additional risks to us.
 22. The Project SPVs may not be able to comply with their maintenance obligations under the concession agreements, which may result in the termination of the concession agreements, the suspension of the Project SPVs' rights to collect tolls or the requirement that the Project SPVs pay compensation or damages to the NHAI.
 23. Our insurance policies may not provide adequate protection against various risks associated with our operations.
 24. The Project SPVs, the Sponsor, the Investment Manager, the Project Manager and the Trustee are involved in certain legal and other proceedings, which may not be decided in their favour.
 25. 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.
 26. We will depend on various third parties to undertake certain activities in relation to the operation and maintenance of the Initial Road Assets. Any delay, default or unsatisfactory performance by these third parties could materially and adversely affect our ability to effectively operate or maintain the Initial Road Assets.
 27. The Project SPVs may be held liable for the payment of wages to the contract labourers engaged indirectly in our operations.
 28. Our contingent liabilities could adversely affect our results of operations, cash flows and financial condition.
 29. Our actual results may be materially different from the expectations expressed or implied in the Revenue, Profit and Cash Flow Projections and the assumptions in the Final Offer Document are inherently uncertain and are subject to significant business, economic, financial, regulatory and competitive risks and uncertainties that could cause actual results to differ materially from those projected.
 30. Our business will be subject to seasonal fluctuations that may affect our cash flows.
 31. Certain Project SPVs' operations and revenue are, currently, geographically concentrated in Gujarat, Maharashtra and other Indian states and consequently will be exposed to certain risks emanating therefrom.
 32. The Initial Road Assets are concentrated in the infrastructure sector and toll-road industry in India, and our business could be adversely affected by an economic downturn in that sector or industry.
 33. 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.
 34. The cost of implementing new technologies for collection of tolls and monitoring our projects could materially and adversely affect our business, financial condition and results of operations.
 35. We may be unable to renew or maintain the statutory and regulatory permits and approvals required to operate the Initial Road Assets.
 36. Compliance with, and changes in, safety, health and environmental laws and regulations in India may materially and adversely affect our business.
 37. 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.
 38. 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.
 39. We have obtained a credit rating of IND AAA for the senior debt of the Trust from India Ratings and Research, assuming the Trust's consolidated "external debt" (including debt availed by InvIT and the Project SPVs from banks and institutions but excluding debt infused by InvIT into the Project SPVs) as on March 31, 2017 would be up to ₹ 10 billion. We have also obtained a credit rating of CARE AAA from CARE Ratings, assuming that the debt exposure of the Trust Group does not exceed ₹ 10 billion after the Listing. Any downgrade of our credit rating may restrict our access to capital and materially and adversely affect our business, financial condition and results of operations.
 40. We will enter into related-party transactions. There can be no assurance that we could not have achieved more favourable terms if such transactions had been entered into with third parties.
- Risks Related to the Trust's Relationships with the Sponsor and the Investment Manager**
41. The Sponsor, whose interests may be different from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust.

42. The Right of First Offer (ROFO)/ Right of First Refusal (ROFR) Deed and the Future Assets Agreement will terminate in certain circumstances and shall be subject to the terms of the concession agreement and applicable law.
43. The Sponsor is a listed company and operates other road assets, and anything that impacts the business, results of operations and trading price of the Sponsor's equity shares may have a material, adverse effect on the Trust and the trading price of the Units.
44. The Investment Manager may not be able to implement its investment or corporate strategies and the fees payable to the Project Manager are dependent on various factors.
45. Parties to the Trust are required to maintain the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. The Trust may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.
46. The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust. There can be no assurance that the Investment Manager will be able to comply with such requirements.

Risks Related to Tax

47. Changes in legislation or the rules relating to tax regimes could materially and adversely affect our business, prospects and results of operations.
48. Some of our roads assets enjoy certain benefits under Section 80-IA of the Income Tax Act and any change in these tax benefits applicable to us may materially and adversely affect our results of operations.
49. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations.
50. Entities operating in India are subject to a variety of Government and State Government tax regimes and surcharges and changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect our business.
51. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units. The provisions of the Income-tax Act, 1961 (Act) provide that the dividend received from a business trust (REITs/ InvITs) qualify as a business trust under the Act) is taxable in the hands of the unitholders where the Special Purpose Vehicle (SPV) in which the business trust holds a controlling interest (and which has declared dividends to the business trust which have been, in turn, declared/ distributed by the business trust to its unitholders) has opted to be governed by the provisions of section 115BAA of the Act.

Date: May 15, 2021

Annexure A

Summary of Valuation Report

I. Summary Of Valuation

I. a) Background & Scope

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

Based on the discussions with the management of InvIT, we understand that as per Chapter V and Regulation 21(4) of the SEBI InvIT Regulations, 2014, an annual valuation of the assets of the Trust shall be conducted by an independent valuer at the end of the financial year ending as on March 31 for a publicly offered InvIT.

For this purpose, the InvIT and IRB Infrastructure Private Limited ("Investment Manager") (hereinafter both together referred to as "Client") has requested for my assistance to act as the "Valuer of the InvIT" and carry out fair valuation of the InvIT in accordance with the SEBI InvIT Regulations, 2014 as on March 31, 2021 ("Valuation Date").

I declare that:

- I am competent to undertake the valuation
- I am independent and have prepared the Report on a fair and unbiased basis
- I have valued the SPVs based on the valuation standards as specified under sub-regulation 10 of regulation 21 of SEBI InvIT Regulation, 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 (EV) of each SPV and adjusting with below the line items of the consolidated unaudited financials of the InvIT as on March 31, 2021. EV of each SPV has been estimated using Discounted Cash Flows ("DCF") method under the Income Approach.

For the purpose of this valuation exercise, the Valuer has been provided with the financial projections of the SPVs under Indian Accounting Standard (IND AS) by the management of Investment Manager of IRB InvIT Fund (hereinafter referred to as the "Management") as on the Valuation Date. The projections are based on the best judgement of the Management on the future cash

flows supported by the traffic surveys conducted by an independent traffic consultancy firm GMD Consultants, i.e. the technical report consultant.

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

- The Free Cash Flows to Firm under the Discounted Cash Flow Method has been used for the purpose of the valuation of each of the SPVs.
- The Weighted Average Cost of Capital for each of the SPVs has been considered as the discount rate for respective SPVs for the purpose of valuation.

I. c) Conclusion of Value

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

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

Name of the SPV	Fair Enterprise Value
IDAA Infrastructure Limited	2,333
IRB Surat Dahisar Tollway Limited	4,558
IRB Talegaon Amravati Tollway Limited	11,399
IRB Jaipur Deoli Tollway Limited	18,467
IRB Tumkur Chitradurga Tollway Limited	16,462
MVR Infrastructure & Tollways Limited	4,524
IRB Pathankot Amritsar Toll Road Limited	17,275
Total Fair Enterprise Value of all the Seven SPVs	75,017

The Fair Enterprise Value of all the Seven SPVs have further been adjusted for net debt, working capital, cash and bank balance and present value of IM and other expenses payable by the Trust based on the consolidated unaudited financial statements of the InvIT as on March 31, 2021 to arrive at the Fair Value of the InvIT as on the Valuation Date.

Table 1.2: Fair Value of IRB InvIT Fund as on the Valuation Date (INR Mn)

Particulars	Fair Equity Value
Total Fair Enterprise Value of all the 7 SPVs	75,017
Less: Net Debt	(14,661)
Add/(Less): Cash & Bank Balance (consolidated)	1,829
Add/(Less): Present value of IM & other expense payable by the Trust	(1,363)
Add / (Less): Other working capital related adjustment (consolidated)	(13)
Fair Value of the InvIT	60,809

Annexure B

Material Litigation and Regulatory Action

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

IRB Infrastructure Private Limited

Pending Civil Litigation against the IRB Infrastructure Private Limited

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

Pending Regulatory Action against the IRB Infrastructure Private Limited

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

Private Limited has replied to the said notice. No further communication has been received in this regard.

Material Litigations against the Trustee

Pending Civil Litigations against the Trustee

1. Hubtown Limited (the “**Plaintiff**”) had filed a case before the High Court of Bombay against the Trustee and its directors (the “**Defendants**”) for having informed the bankers of the Plaintiff regarding the defaults committed by the Plaintiff. The Trustee has stated that the Plaintiff is a guarantor for the debt for which the Trustee is acting as a debenture trustee and in case of defaults, the relevant documents authorize the Trustee to share information about such default to CIBIL/RBI and other creditors. The aggregate amount claimed is ₹ 3000 million. The matter is currently pending in the Court for settlement.
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. The Plaintiff was acting for a consortium of lenders and has residual interest. The aggregate claim amount is ₹ 1,550.3 million. The matter is pending.
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 14,820,000 shares in Transafe Services Limited by the Defendant to the Plaintiff. The Plaintiffs have inter alia sought (a) the recovery of consideration received by the Defendants for the allegedly void contract being ₹ 237.12 million and (b) interest at the rate of 18% per annum on the decretal amount. The matter is currently pending.
4. Loancore Servicing Solutions Private Limited (the “**Petitioner**”) had filed a company petition before the National Company Law Tribunal, Principal Bench at New Delhi (the “**NCLT**”) against Religare Enterprise Limited and others including the Trustee (the “**Respondents**”), where the Trustee is Respondent no.2. The petition alleged that the Respondents sold the shares of Religare Enterprise Limited under the dominion and control of the Petitioners to Respondents no. 3-5. It was further alleged that the Trustee had appropriated the shares and transferred them to the Respondents no. 3 to 5 and that the pledged shares had been sold to consciously deprive the Petitioners of their rights and facilitate an illegal takeover of Respondent no. 1 by the Trustee, acting in concert with Respondent no. 5. The Petitioners have claimed ₹ 700 million as damages against the

Respondents no 2-5. The NCLT has refused to pass an interim order as requested by the Petitioner. The Petitioner has failed to produce any evidence or otherwise establish that it has any form of contractual privity or other relationship of any manner with the Trustee and therefore has no locus to make any claims against it. The petition is pending before the NCLT, Delhi.

IRB Jaipur Deoli Tollway Ltd. ("IJDTL")

Pending Criminal Litigation against IJDTL

1. Pradeep Sogani, Shankar Lal Sharma and certain others (collectively the "**Complainants**") have lodged 10 first information reports against Virendra Mhaikar, Managing Director, IRB Infrastructure Developers Limited, Vivek Chouhan (the project manager and the authorised signatory of the Sponsor) and certain others (collectively the "**Accused**") with the Chaksu Police Station. The aforesaid first information reports were lodged on the alleged ground that there was delay in the release of payments on the part of the Accused towards the purchase of various materials from the Complainants. The Investigating Officer of the Chaksu Police Station has filed final report before the Metropolitan Magistrate Chaksu, Jaipur stating that there is no offence made out against Virendra Mhaikar and Vivek Chouhan. The Metropolitan Magistrate Chaksu, Jaipur has accepted the final report submitted by the Investigating Officer of Chaksu Police Station.

Pending Civil Litigation against IJDTL

1. Jagannath University (the "**Petitioner**") had filed a writ petition before the Rajasthan High Court against the project manager of IJDTL and certain others (the "**Respondent**") seeking that the Respondents be directed to issue monthly pass to the buses/ vehicles of the Petitioner for the toll fee of ₹215 per month as per the notification dated April 8, 2013 and (b) any other appropriate relief in favour of the Petitioner which the court deems fit. The said relief has been sought on the alleged grounds that the Respondents had previously issued a monthly pass of a higher denomination without taking into consideration the non-commercial nature of the vehicles of the Petitioner, which was in violation of Clause 3 of the notification dated April 8, 2013. Further, the Petitioner has also filed a stay application before the Rajasthan High Court seeking that during the pendency of the writ petition, the Respondents be directed to permit the vehicles of the Petitioner on the toll fee of ₹ 215 per month. The project manager of IJDTL has filed its reply denying the averments made by the Petitioner. The matter is currently pending.
2. Girdhari Lal Jat had filed writ petition against IRB Jaipur Deoli Tollway Ltd. and others in Rajasthan high Court, Jaipur Bench, with respect to the National Highway 12 (Jaipur – Tonk - Deoli section), praying that directions

to be given to respondents to take stern action in the matter of removal of illegal barricades in the villages Khajalpura, Dhar Mod, Barkheda and Bhadarwas, to do enquiry against the wrongdoers who have been involved in installing the said illegal barriers, etc. The matter is pending.

IRB Pathankot Amritsar Toll Road Limited ("IPATRL")

Other Proceedings involving IPATRL

1. IPATRL has initiated arbitration proceedings against National Highways Authority of India ("**NHAI**") before the Hon'ble Arbitration Tribunal. IPATRL requested to NHAI to extend the concession period by 518 days, and requested to release compensation of ₹ 252.25 crores incurred during the extended period, as the Extension of Time (EOT) of 518 days was duly recommended by the Independent Engineer for delay in completion of construction on account of the reasons not attributable to IPATRL. However, NHAI rejected the claims of IPATRL. Subsequently, IPATRL invoked arbitration against NHAI. The matter is currently reserved for preparation and pronouncement of the Award.
2. IPATRL had initiated arbitration proceedings against National Highways Authority of India ("**NHAI**") before the Hon'ble Arbitration Tribunal for a sum of ₹ 127.5 Crores (Change of Scope) and ₹ 22.842 Crore towards Mining ban. IPATRL has submitted a claim on account of Change of Scope work executed by it. Change of Scope of ₹ 14.5 Crores has been approved by the NHAI and balance amount was under dispute. On August 17, 2020, the Hon'ble Tribunal unanimously pronounced the Award in favour of IPATRL and directed NHAI to pay the amount of ₹ 73.86 crs. IPATRL has raised a demand of ₹ 73.86 crs to NHAI on August 19, 2020. Subsequently, NHAI requested for amicable settlement through CCIE (Conciliation Committees of Independent Experts) in this matter. The Parties agreed for full and final settlement in this matter and entered into Settlement Agreement on December 4, 2020 and accordingly, in terms of the Settlement Agreement, the amount of ₹ 63.50 Crores was paid by NHAI to IPATRL and the matter was settled.

Pending Regulatory Action involving IPATRL

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

IRB Surat Dahisar Tollway Ltd. ("ISDTL")**Pending Civil Litigation against ISDTL**

1. Mr. Vasantraai Harilal Gohil and Mr. Vijay Vasantraai Gohil (the **"Plaintiffs"**) have filed a special civil suit before the Court of the Civil Judge (Senior Division) at Vasai, against the Sponsor, certain directors of the Sponsor and ISDTL. The Plaintiffs have alleged that on January 5, 2011, certain employees of the Sponsor acted violently and forcefully with them when they could not provide a money change at the toll plaza at Khanivade, Taluka Vasai. The Plaintiffs have alleged that they were chased, threatened and beaten by the employees of the Sponsor which resulted in serious injuries. The Plaintiffs have sought a direction that the Sponsor and its directors be directed to pay the medical expenses of ₹ 0.5 million incurred by the Plaintiffs along with damages of ₹ 50 million with interest. The Plaintiffs have also sought a direction from the court requiring the Sponsor and the directors to disclose on oath, their respective movable and immovable property and to record charge of ₹ 50.5 million over such property until the decretal amount is paid. The Plaintiffs have filed an application for adding ISDTL as a necessary party in the suit. The ISDTL, its directors and employees have filed their reply in the matter. The Civil Judge (Senior Division) at Vasai has vide its Judgement dated 9/7/2019 directed the respondents jointly and severally to pay ₹ 50 Lakhs with interest at the rate of 9% p.a. to the Plaintiffs. ISDTL has filed writ petition in Bombay High Court challenging the Judgement of the Vasai Court Dated July 9, 2019. The matter is pending.
2. Jimmy Gonsalves and another (the **"Petitioners"**) have filed a public interest litigation before the High Court of Bombay against the MoRTH, NHAI, ISDTL and Ideal Road Builders Private Limited and certain others (the **"Respondents"**). The Petitioners have inter alia alleged that commuters are facing hardship and inconvenience due to traffic at Varsova Creek bridge and that ISDTL has denied its duty to build a new bridge on Varsova Creek, and have sought inter alia, that MoRTH be directed to take steps for the construction of a third bridge on Varsova Creek and that all vehicles travelling from Khaniwade toll on NH-8 and Ghodbunder Road toll on the state highway be exempt from toll till the completion of said new bridge. ISDTL and Ideal Road Builders Private Limited are yet to file their respective replies in this matter. The matter is currently pending.
3. ISDTL had initiated arbitration proceedings against National Highways Authority of India, in the Arbitration Tribunal. The Concession Agreement allows Concessionaire (IRB Surat Dahisar Tollway Limited) to design optimally as per specifications. Accordingly, Concessionaire had designed the longitudinal drains to carry peak hours run-off. Hence, Indicative Typical cross section show covered drains. When Concessionaire had submitted his design to Independent Engineer, there were no comments. Hence, Concessionaire constructed the drains in accordance with the technical specifications. Subsequently, Independent Engineer / National Highway Authority of India (NHAI) claimed that provision of earthen drains in lieu of covered drains (RCC type as interpreted by Independent Engineer) amounted to negative Change of Scope. This has been disputed and matter is before the Arbitral Tribunal. The arbitral tribunal has vide its majority award dated August 18, 2018, rejected the claim of Independent Engineer / NHAI. NHAI had filed the writ petition in Delhi High Court challenging the arbitration award. However, later this matter along with other long pending issues pertaining to the Project were mutually referred by both the Parties to Conciliation Committees of Independent Experts (CCIE-I) for amicable settlement through conciliation. Subsequently, the Parties entered in to the Settlement Agreement on October 20, 2020 vide which all the disputes/ claims were mutually settled. In terms of the Settlement Agreement, NHAI granted the Extension to Concession Period by 460 days i.e. up to the midnight of 25/26.05.2022 to conclude all issues under the contract between Parties till transfer of the Project. Accordingly, the Parties filed a joint application before the Hon'ble Delhi High Court for withdrawal of the Petition and the matter was disposed by the Hon'ble Court on December 22, 2020.
4. ISDTL had initiated arbitration proceedings against National Highways Authority of India, in the Arbitration Tribunal. Based on audit observation of Central Govt, National Highways Authority of India (NHAI) demanded recovery of ₹ 16.8 Crore on account of non-recovery of Premium during the period - August 2016 to October 2016 (subsequently NHAI has revised its claim to ₹ 75.16 Cr plus applicable interest. ISDTL has submitted a counter claim of ₹ 204.85 Cr). However, ISDTL responded to the demand of NHAI stating that no additional fee beyond 'Realisable Fee' i.e. include fees that the Concessionaire has not been able to realise after due diligence and best efforts. ISDTL invoked arbitration and appointed the arbitrator. However, later this matter along with other long pending issues pertaining to the Project were mutually referred by both the Parties to Conciliation Committees of Independent Experts (CCIE-I) for amicable settlement through conciliation. Subsequently, the Parties entered in to the Settlement Agreement on October 20, 2020 vide which all the disputes/ claims were mutually settled. In terms of the Settlement Agreement, NHAI granted the Extension to Concession Period by 460 days i.e. up to the midnight of 25/26.05.2022 to conclude all issues under the contract between Parties till transfer of the Project.

Pending Regulatory Action involving ISDTL

1. ISDTL has received certain notices from NHAI alleging short recovery of revenue share (annual traffic count) for the period between the years 2009 and 2013 and as per the latest notice a payment of ₹ 328.91 million was demanded from ISDTL. Subsequently, an assessment was carried out by an independent engineer appointed by NHAI and the liability of ISDTL was assessed to the extent of ₹ 8.38 million. While ISDTL has paid such amount under protest, it has invoked conciliation proceedings for an amicable settlement under the relevant provisions of the concession agreement entered into between ISDTL and NHAI. Since the Conciliation failed, ISDTL invoked arbitration and appointed the arbitrator. However, later this matter along with other long pending issues pertaining to the Project were mutually referred by both the Parties to Conciliation Committees of Independent Experts (CCIE-I) for amicable settlement through conciliation. Subsequently, the Parties entered in to the Settlement Agreement on October 20, 2020 vide which all the disputes/ claims were mutually settled. In terms of the Settlement Agreement, NHAI granted the Extension to Concession Period by 460 days i.e. up to the midnight of 25/26.05.2022 to conclude all issues under the contract between Parties till transfer of the Project.

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

Pending Civil Litigation against MITL

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

Other Proceedings involving MITL

1. MITL had initiated arbitration proceedings against National Highways Authority of India ("NHAI") before the Arbitration Tribunal for its claim to the tune of ₹ 5.14 Crores (towards positive Change of scope for construction of additional arm of flyover) and ₹ 0.26 Crore (negative Change of Scope on account of deletion of 19 hume pipe culverts) (hereinafter referred to as "Reference 1"). The

conciliation meeting between NHAI and MITL meeting was concluded. As NHAI did not respond on the matter, MITL invoked Arbitration proceedings against NHAI. The arbitration proceedings have concluded and the matter is reserved for pronouncement of the Award.

2. National Highways Authority of India ("NHAI") had filed an application for permission to file Additional Counter Claim on 28/02/2020 in the arbitration matter Reference 1. Hon'ble Arbitral Tribunal has directed that the amendment with respect to the counterclaim of NHAI will be dealt with in a separate proceeding simultaneously with the (Reference 1) proceedings. Thus, the arbitration proceedings initiated by NHAI (Claimant) before the Hon'ble Tribunal for ₹ 12.61 Crore (Flyover at KM188/850 – left out structure on LHS) & ₹ 7.77 Crore (towards provision of safety structure i.e. pedestrian guard rail & safety barriers) (hereinafter referred to as "Reference 2"). The arbitration proceedings are in progress and the matter is pending.

Taxation Proceedings involving MITL

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

IDAA Infrastructure Ltd. ("IDAAIL")

Taxation Proceedings involving IDAAIPL

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

IRB Tumkur Chitradurga Tollway Ltd (ITCTL)

Other Proceedings involving IRB Tumkur Chitradurga Tollway Ltd

Due to a dispute on the deferred premium calculation of the previous years between the IRB Tumkur Chitradurga Tollway Limited (Subsidiary Company or Concessionaire) and the NHAI, the Concessionaire has filed an appeal with the Honorable High Court of Delhi against the order dated November 25, 2019. As per the interim order of the Division Bench of Honorable Delhi High Court, withdrawals from Escrow Account are not permitted till final order in the matter. NHAI has also appealed against the order dated November 25, 2019. Currently, the matter is pending before the Honorable Delhi High Court.

Further, NHAI filed a petition on March 26, 2021 before the Hon'ble Delhi High Court to initiate a contempt proceeding against the alleged contemnor for wilfully and deliberately disobeying the order dated December 19, 2019 of the Hon'ble Delhi High Court passed in the FAO (OS) (Comm) no. 370/2019 putting embargo on the operation of the Escrow Account. The matter is pending.

Management Discussion and Analysis

1. Industry Review

1.1 India's infrastructure opportunity

Infrastructure sector is a key driver for the Indian economy. Growing urbanization, demand for energy and financing needs for sustainable living pose a challenge for the infrastructural setup in the country. Infrastructure, and the lack of it, is envisaged as the primary growth constraint, while good infrastructure is widely recognised as an enabler of growth. In the coming era of supply chain disruptions, new technologies and reversal of financial deleveraging, infrastructure growth must keep pace with the need created for it. The sector is accountable for propelling India's overall development and adores intense focus from Government for introducing policies that would ensure time-bound formation of world class infrastructure in the country. The opportunities in the sector have seen an incremental curve over previous years and are growing to establish the sector as a key driver in India's development story at a high rate.

In December 2019, the Government launched the National Infrastructure Pipeline (NIP), an investment plan unveiled by the central government for enhancing infrastructure in identified sectors is a first-of-its-kind exercise to provide world-class infrastructure in an efficient manner across the country and improve the quality of life for all citizens. NIP will enable a forward outlook on infrastructure projects which will create jobs, improve ease of living, and provide equitable access to infrastructure for all, thereby making growth more inclusive. NIP includes economic and social infrastructure projects.

It is envisaged that during the FY 2020-25, sectors such as energy (24%), roads (18%), urban (17%) and railways (12%) amount to 71% of the projected infrastructure investments in India, with a total capital expenditure projected at ₹ 111 lakh crores. The Centre (39%) and states (40%) are expected to have an almost equal share in implementing the NIP in India, followed by the private sector (21%). The roads sector is likely to account for 18% capital expenditure over FY 2019-25.

The FY 2020-21 was the challenging year for the India's infrastructure sector as the country was trying to recover from the impact of the COVID-19 pandemic. The Government of India announced the Union Budget for FY 2021-22 which also focused on the NIP, since it will require a major increase in funding both from the government and the financial sector, the finance ministry has proposed to take three concrete steps to boost the NIP. Firstly, through institutional structures;

secondly, by a big thrust on monetizing assets, and thirdly by enhancing the share of capital expenditure in central and state budgets.

Out of the total expected capital expenditure of ₹ 111 lakh crore, projects worth ₹ 44 lakh crore (40% of NIP) are under implementation, projects worth ₹ 33 lakh crores (30%) are at conceptual stage and projects worth ₹ 22 lakh crores (20%) are under development. Information regarding project stage are unavailable for projects worth ₹ 11 lakh crores (10%).

The Government of India has given a massive push to the highway sector by allocating ₹118,101 crore (from ₹ 91,823 crore in 2020-21), the highest ever outlay, for Ministry of Road Transport and Highways, of which ₹ 108,230 crore is for capital expenditure for FY 2021-22. Under the Bharatmala Pariyojana, with an estimated investment of ₹ 5.35 lakh crore, already 13,000 km of roads worth ₹ 3.3 lakh crore have been awarded for construction.

1.2 Road and Highway sector

India has the second-largest road network in the world, spanning a total of 5.89 million kilometers (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country.

As per Ministry of Road Transport and Highways (MoRT&H), FY 2020-21 was the year of consolidation of the gains that accrued from major policy decisions taken in the previous five years, a time for monitoring of ongoing projects, tackling road blocks and adding to the already impressive pace of work achieved last year.

During the year the MoRT&H and its associated organizations have carried forward the good work of the previous years, expanding the National Highways network in the country, taking various steps to make these highways safe for the commuters and making best efforts to minimize adverse impact on the environment. As a result, in the past seven years, length of National Highways has gone up by 50% from 91,287 km (as of April 2014) to 137,625 km (as on March 20, 2021). The Ministry has scaled new heights in expanding the Highway infrastructure throughout the country, despite nation-wide lockdown due to COVID-19 pandemic in the FY 2020-21.

The MoRT&H has envisaged an ambitious highway development programme Bharatmala Pariyojana which includes development of about 65,000 km NHs. Under Phase-I of Bharatmala Pariyojana, the MoRT&H has approved implementation of 34,800 km of NHs in 5 years (2017-18 to 2021-22) with an outlay of ₹ 535,000 crores. The NHAI has been mandated development of about 27,500 km of NHs under Bharatmala Pariyojana Phase-I.

The programme focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International Connectivity roads, Coastal and Port Connectivity roads and Green-field expressways. Multi-modal integration is also built into this program. Projects with aggregate length of approximately 13,171 kms were already been awarded under Bharatmala Pariyojana (including residual NHDP Works) till November 2020, while projects with length 2,587 kms were under bidding. Additionally, work on preparation of Detailed Project Reports for about 13,233 kms was under progress.

Details of NH length constructed per day during last seven years and 2020-21:

Year	Length in Km	Pace (Km per day)
FY 2014-15	4,410	12.08
FY 2015-16	6,061	16.56
FY 2016-17	8,231	22.55
FY 2017-18	9,829	26.93
FY 2018-19	10,855	29.74
FY 2019-20	10,237	27.97
FY 2020-21	13,298	36.43

The pace of highways construction in the country has touched a record ~37 km per day in FY 2020-21. Despite COVID-19 impact, the annual project award has by the Ministry increased by 38% in past three years from 5,494 kms in FY 2018-19 to 10,467 kms in FY 2020-21. The Cumulative cost of ongoing project works has increased by 54% at the end of FY 2021 compared to FY 2020. Projects having length of ~64,000 kms and more than 2100 projects are ongoing in FY 2020-21. There is continuous upward momentum in road construction having CAGR of 20% plus. In FY 2021 more than 13,000 kms of roads are constructed from 4,410 kms in FY 2015.

Despite the fact that construction came to a halt in April 2020 due to the lock-down on account of COVID-19 pandemic, NHAI set a new record by building 4,192 km of National Highways in FY 2020-21. This was about 5% higher than the construction in 2019-20 and 24% more

than the level achieved in 2018-19. Continuing the same trend with the development of 4,192 km of National Highways during FY 2020-21, the NHAI has achieved an all-time high construction since its inception in 1995.

NHAI has awarded 141 projects with combined length of 4,788 km in 2020-21, the highest in the last three years, compared with 3,211 km in 2019-20 and 2,222 km in 2018-19. The capital cost of the projects awarded in FY 2020-21 amounted to ₹ 171,226 crore, the highest ever, compared with ₹ 81,324 crore in FY 2019-20 and ₹ 64,009 crore in FY 2018-19. In terms of lane kilometre, NHAI has constructed 18,500 lane km (50 lane km/day) during 2020-21, 40% more than in 2019-20 and 91% more than in 2018-19. Capital expenditure by NHAI for development of highway infrastructure reached an all-time high of ₹ 128,000 crore during FY 2020-21, 23% higher compared to such spending in FY 2019-20.

FASTag implementation has also reduced the wait time at National Highway fee plazas significantly, resulting in enhanced user experience. In order to ensure that the payment of fees at Toll Plazas is through Electronic means only and vehicles pass seamlessly through the Fee Plazas, the FASTag drive has been very well supported by the highway users as it has achieved over 95% penetration with more than three crore users in the country. Many of the toll plazas have even reached about 99% penetration. Toll collection through FASTag has seen a consistent growth, crossing ₹ 100 crore per day mark.

1.3 Growth Drivers

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

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

- Disputes Resolution mechanism revamped to avoid delays in completion of projects.
- As an integral part of Atmanirbhar Bharat, the various relief measures have been taken by the MoRTH for providing relief to Contractors/Developers/Concessionaires of Road Sector from the impact of COVID, subsequent lockdown and other measures taken to prevent spread of COVID
- Mandatory Electronic toll collection through FASTag with effect from February 15, 2021.
- For faster settlement of claims through conciliation and reduce liabilities, NHAI has rigourously started the process of conciliation by constituting three Conciliation Committees of Independent Experts (CCIE) of three members each.

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

Massive infrastructure push: Government of India has given a massive push to the infrastructure sector. The total budgetary outlay increased by 5.5 times, from ₹ 33,414 crore in the financial year 2015 to ₹ 183,101 crore for the financial year 2022.

NH expansion: In December 2020, the MoRTH proposed to develop additional 60,000 kms of National Highways (in the next five years), of which 2,500 kms are expressways/access controlled highways, 9,000 kms are economic corridors, 2,000 kms are coastal and port connectivity highways and 2,000 kms are border road/strategic highways. The ministry also intends to improve connectivity for 100 tourist destinations and construct bypasses for 45 towns/cities.

Growing demand: With the increase in consumer demand and nuclear families, need for two-wheelers and compact cars has been on the rise and is expected to grow even further. Road's traffic share of the total traffic in India has grown from 13.8% to 65% in freight traffic and from 32% to 90% in passenger traffic over FY 1951-2017.

Government initiatives: The Government of India has allocated 34.5% more than last year to infrastructure development, and given equal emphasis to all physical infrastructure including roads and highways, railways, urban infrastructure, power, port, shipping and airways, and petroleum and natural gas.

Increasing budget allocations: The Union Budget has given much-needed impetus to infrastructure development which could reduce trade and transaction costs and improve factor productivity. Moreover, the focus on roads and railways will create a unified market

in India for seamless movement of goods and human resources.

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

1.4 Opportunities

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

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

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

FDI in roads: Cumulative FDI in construction development (includes Townships, housing, built-up infrastructure and construction-development projects) stood at US\$ 25.93 billion between April 2000 and September 2020. The Government's move to cut GST rates on construction equipment from 28% to 18% is expected to give boost to the industry.

National Infrastructure Pipeline: The final report of NIP Task Force has projected total infrastructure investment of ₹111 lakh crore during the period FY 2020-25. The sectors such as energy (24 per cent), roads (18 per cent), urban (17 per cent) and railways (12 per cent) amount to around 71 per cent of the projected infrastructure investments in India.

Atmanirbhar Bharat: Relief for Contractors / Developers of Road Sector: As an integral part of Atmanirbhar Bharat, the various measures have been taken by the MoRTH for providing relief to Contractors/Developers/Concessionaires of Road Sector from the impact of COVID, subsequent lockdown and other measures taken to prevent spread of COVID.

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

1.5 2021-22 budget highlights

- The Government has given a massive push to the infrastructure sector by allocating ₹ 233,083 crores (US\$ 32.02 Billion) for the transport infrastructure.
- The Government has allocated ₹ 118,101 crore (US\$ 16.20 Billion) to the Ministry of Road Transport and Highways.
- The government expanded the 'National Infrastructure Pipeline (NIP)' to 7,400 projects. ~217 projects worth ₹ 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.
- The government has launched Performance Linked Incentive (PLI) to create manufacturing global champions across 13 sectors with amount committed nearly ₹ 1.97 lakh crore in next 5 years starting FY 2021-22.
- An accelerated development of highways to include development of 2,500 Km access control highways, 9,000 Km of economic corridors, 2,000 Km of coastal and land port roads and 2,000 Km of strategic highways.

The Delhi-Mumbai Expressway and two other packages will be completed by 2023. Construction of Chennai-Bengaluru Expressway will also begin.

- NHAI to raise ₹ 1 lakh crore through monetisation of highways under toll operate transfer (TOT) mode in the next five years

1.6 Bharatmala Pariyojana: Phase-I

This is the umbrella programme for the highways sector unrolled in FY 2017-18. The programme that aims to optimise the efficiency of road traffic movement across

the country by bridging critical infrastructure gaps. The MoRT&H has done a detailed review of NH network with a view to develop the road connectivity to Border areas, and Coastal roads including road connectivity for Non-Major ports, improvement in the efficiency of National Corridors, development of Economic Corridors, Inter Corridors and Feeder Routes along with integration with Sagarmala, etc., under Bharatmala Pariyojana.

The Bharatmala Pariyojana envisages development of about 26,000 km length of Economic Corridors, which along with GQ and North-South and East-West (NS-EW) Corridors are expected to carry majority of the Freight Traffic on roads. Further, about 8,000 km of Inter Corridors and about 7,500 km of Feeder Routes have been identified for improving effectiveness of Economic Corridors, GQ and NS-EW Corridors. The programme envisages development of Ring Roads / bypasses and elevated corridors to decongest the traffic passing through cities and enhances logistic efficiency; 28 cities have been identified for Ring Roads; 125 choke points and 66 congestion points have been identified for their improvements. Further, to reduce congestion on proposed Corridors, enhance logistic efficiency and reduce logistics costs of freight movements, 35 locations have been identified for development of Multimodal Logistics Parks.

The Bharatmala (approved for estimated cost of ₹ 692,324 crores including other ongoing schemes) is to be funded from Cess (₹ 237,024 crores) collected from Petrol & Diesel (as per Central Road & Infrastructure Fund Act, 2000, erstwhile CRF Act, 2000), amount collected from toll (₹ 46,048 crores) apart from additional budgetary support (₹ 59,973 crores), expected monetisation of NHs through TOT (₹ 34,000 crores), Internal & Extra Budgetary Resources (IEBR) (₹ 209,279 crores) and Private Sector Investment (₹ 106,000 crores) as per the Financing Plan upto 2021-22.

Development of Phase-I of Bharatmala Pariyojana

Sr. No.	Scheme	Length (km)	Cost (₹ crores)
1	Economic Corridors	9,000	120,000
2	Inter-Corridors & feeder roads	6,000	80,000
3	National Corridor Efficiency improvement Programme	5,000	100,000
4	Border & International connectivity roads	2,000	25,000
5	Coastal & port connectivity roads	2,000	20,000
6	Expressways	800	40,000
	Sub Total	24,800	385,000
7	Ongoing Projects, including NHDP	10,000	150,000
	Total	34,800	535,000

Outlook

The roads and highways sector is expected to take a mighty blow from the nationwide lockdown to contain the Covid-19 pandemic. This has pushed back a much-anticipated economic recovery this fiscal by bringing to a standstill. The Union Minister for Road Transport & Highways and MSMEs, Shri Nitin Gadkari, in his communication dated May 7, 2020, has set a target of constructing roads worth ₹ 15 lakh crores in the next two years.

Furthermore, there are tremendous opportunities in the near and long-term for the infrastructure space in India. The Government's ambitious infrastructure development programmes provide significant opportunities for investors and market players to help transform the sector and partner India's socio-economic progress. Robust demand, higher investments, attractive opportunities and policy support changed the face of the road sector in the country within three years. The Government is implementing various projects across the length and breadth of the country to solve woes of the common man. The MoRT&H has introduced notable trends that will make India take lead position in road infrastructure in the near future.

Trust Overview

IRB InvIT is the Trust settled by its Sponsor, IRB Infrastructure Developers Ltd. and is registered under the SEBI (Infrastructure Investment Trusts) Regulations, 2014. It comprises of seven operational road projects having length of 4,055 lane km with four of the road projects forming part of Golden quadrilateral and one forming part of east-west corridor. It has presence across six states in India with average residual concession period of ~16 years.

The Sponsor of the Trust i.e. IRB Infrastructure Developers Ltd., is one of the largest infrastructure development and construction companies in India in terms of net worth in roads and highways sector. The Sponsor has been listed on the Stock Exchanges since 2008. As of March 31, 2021, the Sponsor has 23 road projects, under various stages of development and operations.

Consequent to the formation transactions, on May 9, 2017, the Trust acquired an initial portfolio comprising the six Project special purpose vehicles (SPVs), all of which were wholly owned by the Sponsor and its subsidiaries. On September 28, 2017, the Trust further acquired its seventh project 'Pathankot Amritsar' on NH 15 in Punjab from the Sponsor and its subsidiary.

Distribution

The InvIT regulations require the Trust to distribute minimum 90% of the cash flow, once in half year. The InvIT Regulations provide that not less than 90% of net distributable cash flows of each project SPV are required to be distributed to the Trust in proportion to its holding in each of the project SPVs, subject to applicable provisions of the Companies Act, 2013. Further, not less than 90% of net distributable cash flows of the Trust shall be distributed to the unitholders. Such distributions shall be declared and made not less than once in every six months in every financial year and shall be made not later than fifteen days from the date of such declaration.

For FY 2020-21, the Net Distributable Cash Flow (NDCF) of the Trust was ₹ 534.60 crores, out of which the Trust has distributed 92%. The Total pay-out from the NDCF for FY 2020-21 was ₹ 8.50 per unit to the unitholders.

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

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31 st March 2021	Year ended 31 st March 2020
1	Cash flows received from Project SPVs in the form of interest	44,391.68	59,426.29
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	338.99	628.16
4	Cash flows received from the project SPVs towards the repayment of the debt issued to the Project SPVs by the Trust	22,393.89	18,054.58
5	Total cash inflow at the Trust level (A)	67,124.56	78,109.03
	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	(9,355.06)	(13,949.35)
7	Income tax (if applicable) at the Standalone Trust Level		
8	Repayment of external debt	(4,309.46)	(3,478.35)
9	Total cash outflows / retention at the Trust level (B)	(13,664.52)	(17,427.70)
10	Net Distributable Cash Flows (C) = (A+B)	53,460.04	60,681.33

Factors affecting Operations

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

Terms of the Concession Agreements for tariff revision

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

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

Co. Name	Tariff rate revision	Revision date	FY 2020-21 (%)
IRB Surat Dahisar Tollway Limited (IRBSD)	Linked to WPI* (as an average for preceding year)	September 1, every year	1.67
IDAA Infrastructure Limited (IDAA)	Linked to WPI	July 1, every year	0.42
M.V.R. Infrastructure & Tollways Limited (MVR)	Linked to WPI	September 1, every year	0.42
IRB Jaipur Deoli Tollway Limited (IRBJD)	3% + 40% of WPI	April 1, every year	4.10
IRB Tumkur Chitradurga Tollway Limited (IRBTC)	3% + 40% of WPI	April 1, every year	4.10
IRB Talegaon Amravati Tollway Limited (IRBTA)	3% + 40% of WPI	April 1, every year	4.10
IRB Pathankot Amritsar Toll Road Limited (IRBPA)	3% + 40% of WPI	April 1, every year	4.10

*Wholesale price index

Growth in Traffic Volumes

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

Operating and Maintenance cost

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

The O&M of seven Project SPVs is managed by the IRB Infrastructure Developers Limited, (Sponsor and Project Manager), as per the fixed price agreements/contracts executed by respective Project SPVs. The O&M cost covers routine and periodic maintenance, details for FY 2020-21 and FY 2019-20 are as follows:

Project Name	Maintenance Cost (₹ in Lakhs) FY 2020-21	Maintenance Cost (₹ in Lakhs) FY 2019-20
IDAA	4,030	5,434
IRBSD	3,754	6,307
IRBJD	5,293	4,522
IRBTA	1,101	1,499
IRBTC	1,168	3,013
MVR	433	1,757
IRBPA	4,929	4,336
Total	20,708	26,868

Regulatory Commitments

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

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

In case of the Surat – Dahisar project, revenue share is paid to the NHAI which was 49% till February 19, 2021 and 50% w.e.f from February 20, 2021 and is set to increase by 1% every year.

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

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 new acquisition of Pathankot- Amritsar project was funded through 100% debt from a bank at a floating rate of interest with annual reset. The interest rates are linked to Marginal Cost of Funds Based Lending Rate (MCLR)

of the bank with a spread margin of 30 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.

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

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

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

Financial Review

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

The total consolidated income for FY 2020-21 has decreased to ₹ 1,161 crores from ₹ 1,270 crores in FY 2019-20.

The consolidated toll revenues for FY 2020-21 has decreased to ₹ 1,103 crores from ₹ 1,236 crores for FY 2019-20 due to lock down imposed in various states because of the pandemic.

EBITDA for FY 2020-21 stood at ₹ 934 crores from ₹ 1,022 crores in FY 2019-20.

Interest costs (including interest on premium deferment) for FY 2020-21 stood at ₹ 145 crores as against ₹ 164 crores for FY 2019-20.

Depreciation for FY 2020-21 decreased to ₹ 608 crores from ₹ 685 crores in FY 2019-20.

Profit after tax for year ended March, 2021 increased to ₹ 181 crores from ₹ 173 crores in March, 2020.

Critical Accounting Policies:

The preparation of financial statements in conformity with applicable accounting standards and the Companies Act, 2013 requires the Trust management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial

statements and the results of operations at the end of the reporting period. By their nature, these judgements are subject to a degree of uncertainty. Although these estimates are based upon the best knowledge of the Trust's management of current events and actions, the actual results could differ from these estimates.

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

Intangible assets

Toll Collection Rights:

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

Cost includes:

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

Premium Obligation

As per the service concession agreement, some of the SPVs are obligated to pay the annual fixed amount of premium to NHAI. This premium obligation has been

capitalised as an intangible asset since it is paid towards getting the right to earn revenue by constructing and operating the roads during the concession period. Hence, total premium payable as per the service concession agreement is upfront, capitalised at fair value of the obligation at the date of transition.

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

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

Amortisation

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

Premium deferment

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

Provisions

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

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

Principal Components in the consolidated profit and loss

Income items

The Project SPVs income consists of revenue from operations and other income. Revenue from operations primarily consists of income from toll collection. Further, during the construction period of a project, the NHAI may ask the Project SPVs to carry out utility shifting work (which is incidental to the construction of the toll road and typically involves the shifting of utilities that are located at the construction site) or may award the Project SPVs additional scope of work that is separately paid by the NHAI. Revenue from such utility shifting or change in scope contract and the sale of materials, among others, also forms part of the Project SPVs operating revenue. However, this is not significant as compared to toll revenue.

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

Expense items

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

Road work and site expenses

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

Employee benefits expenses

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

Depreciation and amortization

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

Finance costs

Finance costs of the Trust include interest on loans from banks/financial institutions, interest loss on derivative contracts, interest on premium deferment, interest on loan from group companies, other borrowing costs, interest unwinding on loan taken and interest unwinding on premium obligations.

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, bank charges, insurance and other miscellaneous expenses.

2. Human Resource

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

3. Risk Management

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

4. Internal control and systems

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

Manager periodically reviews the adequacy and effectiveness of internal control systems and suggests improvements to further strengthen them.

5. Cautionary Statement

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

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

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

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

- regulatory changes and future Government policy relating to the transportation industry in India.

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

Although the investment manager believes that the assumptions upon which these forward-looking statements and projections are based are reasonable,

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

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

Independent Auditors' Report

To,

The Unit holders of IRB InvIT Fund

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **IRB InvIT Fund** (hereinafter referred to as "the Fund") and its subsidiaries (the Fund and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Unit Holders' Equity and the consolidated Statement of cash flows for the year then ended, and the consolidated Statement of Net Assets at fair value as at March 31, 2021, the consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') of the Fund and each of its subsidiaries for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder, in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and/or

any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, its consolidated profit including other comprehensive income, its consolidated movement of the unit holders' funds and its consolidated cash flows for the year ended March 31, 2021, its consolidated net assets at fair value as at March 31, 2021, its consolidated total returns at fair value and the net distributable cash flows of the Fund and each of its subsidiaries for the year ended March 31, 2021.

Basis for Opinion

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

Key Audit Matters

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

Sr.No.	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Assessing Impairment of Intangible assets (note 3.21 and 4)</p> <p>The Group operates toll assets which is constructed on Build Operate and Transfer (BOT) basis. The carrying value of the toll collection rights as at March 31, 2021 is ₹ 1,162,829.30 Lakhs. In accordance with its accounting policy and requirements under Ind AS 36 "Impairment of Assets", the Management has performed an impairment assessment by comparing the carrying value of the toll collection rights to their recoverable amount. For impairment testing, value in use has been determined by forecasting and discounting future cash flows. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projection and discounting rate. The determination of the recoverable amount of the toll collection right involves significant judgment and accordingly, the evaluation of impairment of toll collection rights has been determined as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Fund's valuation methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process. - Assessed, based on the report of external expert, the assumptions around the key drivers of the cash flow forecasts, discount rates, revenue projection based on the independent experts traffic study report after considering the impact on account of COVID-19 scenario, etc. - Assessed the appropriateness of the weighted average cost of capital used in the determining recoverable amount by engaging valuation expert. - Discussed/Evaluated potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable, including considerations due to current economic and market conditions including effects of COVID- 19 pandemic.

Sr.No.	Key Audit Matter	How our audit addressed the key audit matter
	Also, refer Note 4 to the consolidated financial statements	<ul style="list-style-type: none"> - Assessed the recoverable value headroom by performing sensitivity analysis of key assumptions used. - Tested the arithmetical accuracy of the model.
2	<p>Toll revenue in respect of toll collection under the Service Concession Agreement</p> <p>The Group's right to collect toll under the concession agreement with National Highway (NHAI)</p> <p>Authority of India falls within the scope of Appendix C of Ind AS 115, "Service Concession Arrangements". The Group operates and earns revenue by collecting toll on the road constructed. This involves large volume of cash collection and use of customized equipment installed at the toll plaza for correctly identifying vehicle type, calculating fare and for appropriate billing and collection on information technology systems for the related automated and IT dependent controls.</p> <p>Refer Note 3.8 and Note 20 to the consolidated financial statements</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Obtained an understanding of the processes and control placed for toll collection and evaluating the key controls around such process and testing those controls for the operating effectiveness. - Checked a selection of Information Technology General Controls (ITGCs) supporting the integrity of the tolling system operation, including access, operations and change management controls. - Verified the reconciliation of toll collection as per transaction report (generated from toll system) with cash deposited in bank and revenue recorded in the books. - Reviewed the management rationalization, by multiplying that toll rate charged for each category of vehicle as per NHAI's notification with the number of vehicles (as per Schedule M submitted with NHAI) and its reconciliation with the revenue recorded in accounts. - On test check basis, traced the daily collection from bank statement to daily cash toll collected and the revenue recorded in the books. - Performed analytics procedures on transactions to detect unusual transactions for further examination. - Performed revenue cut off procedures.
3	<p>Unused tax credits (MAT credit Entitlement)</p> <p>One of the subsidiary company have unused tax credits of ₹ 3,257.84 Lakhs as at March 31, 2021 (MAT Credit Entitlement). Since the subsidiary Company has incurred losses in the last two financial years, the utilization of unused tax credits in the remaining tenure of the Concession period has been determined to be a key audit matter.</p> <p>Refer Note 3.12 and Note 8 to the consolidated financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - We have obtained the estimates and projections from the management. - Discussed with the management the key drivers in the projections. - Assessed the assumptions used in the projections. - Checked the mathematical accuracy of the projections.
4	<p>Provisioning for resurfacing expense</p> <p>As per the Concession Agreement, the Group is obligated to carry out resurfacing of the roads. The Group estimates the provision required towards resurfacing in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets. The estimate made by the Group over the concession period, involves detailed calculation and judgment. In view of the nature of provision and amount involved, the provision for resurfacing expense is considered to be a key audit matter.</p> <p>Refer Note 3.17, Note 17 and Note 37 to the consolidated financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Understood the Group's process associated with the estimation of resurfacing obligation. - Verified the requirement under Concession Agreement and Group's policies. - Tested the assumption used in determining the resurfacing provisions. - Tested the arithmetical accuracy and also verified the disclosure in the consolidated financial statements.
5	<p>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value</p> <p>(as described in note 37 and in Statement of Net assets at fair value and Statement of total returns at fair value of the consolidated financial statements)</p> <p>As per the provisions of InvIT Regulations, the Fund is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.</p>	<p>Our audit procedures include the following-</p> <ul style="list-style-type: none"> - Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. - Assessed the appropriateness of independent valuer's and management's valuation methodology applied in determining the fair values. - Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation. - We involved valuation specialists to: <ol style="list-style-type: none"> a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data. b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer, including considerations due to current economic and market conditions including effects of COVID-19 pandemic.

Sr.No. Key Audit Matter	How our audit addressed the key audit matter
Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the consolidated financial statements.	<ul style="list-style-type: none"> c) Discussed changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable, including considerations due to current economic and market conditions including effects of COVID-19 pandemic. - Tested the arithmetical accuracy of computation in the Statement of Net Assets and Total Returns at Fair Value - Read/Assessed the disclosures in the standalone financial statements for compliance with the relevant requirements of InvIT Regulations.

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

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

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

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

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

Management's Responsibility for the Consolidated Financial Statements

Investment Manager is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position as at March 31, 2021, consolidated financial performance including other comprehensive income, consolidated movement of the unit holders' funds and the consolidated cash flows for the year ended March 31, 2021, its consolidated net assets at fair value as at March 31, 2021, its consolidated total returns at fair value of the Fund and the net distributable cash flows of the Fund and each of its subsidiaries in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment

Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations").

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express 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 statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other matters

We did not audit the financial statements and other financial information of 7 subsidiaries, whose financial statements reflect total assets of ₹ 1,230,736.92 Lakhs and net assets of ₹ 90,017.65 Lakhs as at March 31, 2021, total revenues of ₹ 115,749.81 Lakhs and net cash inflows amounting to ₹ 26,534.93 Lakhs for the year ended on that date, as considered in the consolidated financial statements before giving effect to elimination of intra-group transactions. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the

consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of InvIT regulations, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) The Consolidated Balance Sheet, and the Consolidated Statement of Profit and Loss including other comprehensive income dealt with by this report are in agreement with

the books of account maintained for the purpose of preparation of the consolidated financial statements; and

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

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W/W-100010

(Ramesh Gupta)

Partner

Membership No.:102306

UDIN: 21102306AAAABQ4807

Place: Mumbai

Dated: May 15, 2021

Consolidated Balance Sheet

as at March 31, 2021

(₹ in Lakhs)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4	107.56	109.50
Intangible assets	4	1,162,829.30	1,228,882.50
Intangible assets under development	4	212.09	-
Financial assets			
Investments	5	0.40	0.40
Deferred tax assets (net)	8	3,220.33	3,220.33
Total non-current assets		1,166,369.68	1,232,212.73
Current assets			
Financial assets			
i) Investments	5	15,856.15	5,348.67
ii) Cash and cash equivalents	9	39,499.20	19,004.31
iii) Bank balances other than (ii) above	10	78.06	66.16
iv) Loans	6	74.02	98.73
v) Other financial assets	7	1,124.37	1,018.69
Income tax assets (net)	11	722.09	840.70
Other current assets	12	329.67	769.61
Total current assets		57,683.56	27,146.87
Total assets		1,224,053.24	1,259,359.60
EQUITY AND LIABILITIES			
Equity			
Initial settlement amount	13	0.10	0.10
Unit capital	13	5,31,157.50	542,767.50
Other equity	14	(95,850.79)	(80,227.27)
Total equity		435,306.81	462,540.33
Non-current liabilities			
Financial liabilities			
i) Borrowings	15	170,943.17	169,287.58
ii) Other financial liabilities	16	545,753.43	570,006.07
Provisions	17	1,303.65	4,313.83
Total non-current liabilities		718,000.25	743,607.48
Current liabilities			
Financial liabilities			
i) Trade payables	18		
a) total outstanding dues of micro enterprises and small enterprises		9.42	76.00
b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,074.63	3,134.88
ii) Other financial liabilities	16	58,748.14	39,544.04
Other current liabilities	19	214.37	126.38
Provisions	17	10,699.62	10,330.49
Total current liabilities		70,746.18	53,211.79
Total liabilities		788,746.43	796,819.27
Total equity and liabilities		1,224,053.24	1,259,359.60
Summary of significant accounting policies	3		

See accompanying notes to the consolidated financial statements.

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

Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date : May 15, 2021

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

Vinod Kumar Menon
CEO & Wholtime Director
DIN : 03075345

Rushabh Gandhi
Chief Financial Officer

Place : Mumbai
Date : May 15, 2021

Sunil Tandon
Director
DIN : 00874257

Swapna Vengurlekar
Company Secretary
Membership No: A32376

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lakhs)

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	20	114,283.26	124,057.25
Other income	21	1,805.55	2,951.94
Total income		116,088.81	127,009.19
Expenses			
Operating expenses	22	6,717.01	4,476.31
Project management fees		12,186.00	13,361.87
Employee benefits expense	23	2,428.55	2,726.82
Insurance and security expenses		142.80	1,209.31
Trustee fees		29.50	29.50
Annual listing fees		60.81	60.81
Investment management fees		590.00	1,220.49
Repairs and maintenance		11.75	319.98
Depreciation and amortisation expenses	24	60,806.39	68,537.89
Finance costs	25	14,538.21	16,361.32
Other expenses	26	495.48	1,422.21
Total expenses		98,006.50	109,726.51
Profit / (loss) before tax		18,082.31	17,282.68
Tax expenses			
Current tax (including tax adjustments related to earlier years)		(1.85)	10.05
Deferred tax		-	2.69
Total tax expenses		(1.85)	12.74
Profit/ (loss) after tax (A)		18,084.16	17,269.94
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans (net of tax)		(38.68)	14.79
Other comprehensive income/(loss) for the year, net of tax (B)		(38.68)	14.79
Total comprehensive income/ (loss) for the year, net of tax: (A+B)		18,045.48	17,284.73
Profit/(loss) for the year		18,084.16	17,269.94
Attributable to:			
Unit holders		18,084.16	17,269.94
Non-controlling interests		-	-
Total comprehensive income for the year		18,045.48	17,284.73
Attributable to:			
Equity holders of the parent		18,045.48	17,284.73
Non-controlling interests		-	-
Earnings per unit			
- Basic	27	3.12	2.98
- Diluted		3.12	2.98
Summary of significant accounting policies	3		

See accompanying notes to the consolidated financial statements.

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

Ramesh Gupta
 Partner
 Membership No.: 102306

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

Vinod Kumar Menon
 CEO & Wholtime Director
 DIN : 03075345

Rushabh Gandhi
 Chief Financial Officer

Sunil Tandon
 Director
 DIN : 00874257

Swapna Vengurlekar
 Company Secretary
 Membership No: A32376

Place: Mumbai
 Date : May 15, 2021

Place : Mumbai
 Date : May 15, 2021

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities		
Profit / (loss) before tax	18,082.31	17,282.68
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	60,806.39	68,537.89
Movement in provision for resurfacing expenses	2,704.05	8,545.65
Change in Fair value on mutual funds	141.99	(295.75)
Gain on sale of Investments (net)	(551.64)	(481.42)
Gain on sale of assets (net)	(204.81)	-
Finance costs	11,692.36	12,546.13
Interest income on fixed deposits	(28.19)	(52.26)
Operating profit before working capital changes	92,642.46	106,082.92
Movement in working capital:		
Increase/(decrease) in trade payables	(2,126.83)	1,320.44
Increase/(decrease) in provisions	(5,383.78)	(17,072.59)
Increase/(decrease) in other financial liabilities	4,778.56	(3,363.87)
Increase/(decrease) in other liabilities	87.98	(44.40)
Decrease/(increase) in trade receivables	-	41.47
Decrease/(increase) in loans	24.70	26.99
Decrease/(increase) in other financial assets	(105.68)	509.11
Decrease/(increase) in other current assets	439.97	(238.24)
Cash generated from/(used in) operations	90,357.38	87,261.83
Taxes paid (net)	120.47	(266.59)
Net cash flow from operating activities	90,477.85	86,995.24
Cash flows from investing activities		
Purchase of intangible assets	(7,321.33)	(12,003.26)
Proceeds from sale of intangible assets	5,597.92	3.53
Sale/(purchase) of current investments (net)	(10,097.82)	18,132.46
Acquisition / Redemption of bank deposits (having original maturity of more than three months) (net)	(1.91)	4,998.11
Interest received	28.20	60.13
Net cash flow (used in) investing activities	(11,794.94)	11,190.97
Cash flows from financing activities		
Repayment of unit capital to the unit holders	(11,610.00)	(17,995.50)
Distribution to unitholders	(33,669.00)	(47,601.00)
Repayment of non-current borrowings	(190.01)	(3,478.35)
Finance costs paid	(12,719.01)	(11,520.15)
Net cash flows from/(used in) financing activities	(58,188.02)	(80,595.00)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	20,494.89	17,591.21
Cash and cash equivalents at the beginning of the year	19,004.31	1,413.10
Cash and cash equivalents at the end of the year (refer note 09)	39,499.20	19,004.31
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Escrow accounts	39,322.59	18,765.76
- Current accounts	114.86	154.17
Cash on hand	61.75	84.38
Total Cash and Cash Equivalents (refer note 09)	39,499.20	19,004.31

Consolidated Statement of Cash Flows

for the year ended March 31, 2021

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

	(₹ in Lakhs)
Particulars	Long term borrowings
01-Apr-19	1,89,100.41
Cash flow	
- Interest	(11,520.15)
- Proceeds / (Repayment)	(3,478.35)
Accrual for the year	15,458.46
31-Mar-20	189,560.37
Cash flow	
- Interest	(12,719.01)
- Proceeds / (Repayment)	(190.01)
Accrual for the year	14,259.11
31-Mar-21	190,910.46

Notes:

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

Summary of Significant accounting policies (refer note 3)

See accompanying notes to the consolidated financial statements.

As per our report of even date

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Reg no. 121750W/W-100010

Ramesh Gupta

Partner

Membership No.: 102306

For and on behalf of IRB Infrastructure Private Limited

(Investment Manager of IRB InvIT Fund)

Vinod Kumar Menon

CEO & Wholetime Director

DIN : 03075345

Rushabh Gandhi

Chief Financial Officer

Sunil Tandon

Director

DIN : 00874257

Swapna Vengurlekar

Company Secretary

Membership No: A32376

Place: Mumbai

Date : May 15, 2021

Place : Mumbai

Date : May 15, 2021

Consolidated Statement of Changes in Unit Holders Equity

for the year ended March 31, 2021

(₹ in Lakhs)

	No of units	As at March 31, 2021	No of units	As at March 31, 2020
a. Unit Capital:				
At the beginning of the year	580,500,000	542,767.50	580,500,000	560,763.00
Issued during the year	-	-	-	-
Less: Capital reduction during the year (refer note 41)	-	(11,610.00)	-	(17,995.50)
At the end of the year	580,500,000	531,157.50	580,500,000	542,767.50

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
b. Initial Settlement Amount		
At the beginning of the year	0.10	0.10
Received during the year	-	-
At the end of the year	0.10	0.10

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
At the beginning of the year	(80,227.27)	(49,911.00)
Profit/(loss) for the year	18,084.16	17,269.94
Other comprehensive income	(38.68)	14.79
Interest distribution * (refer note 41)	(33,669.00)	(47,601.00)
At the end of the year	(95,850.79)	(80,227.27)

* Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2019-20 and does not include the distribution relating to the last quarter of FY 2020-21 which will be paid after March 31, 2021.

Summary of Significant accounting policies (refer note 3)

See accompanying notes to the consolidated financial statements.

As per our report of even date

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Reg no. 121750W/W-100010

Ramesh Gupta

Partner

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For and on behalf of IRB Infrastructure Private Limited

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DIN : 00874257

Rushabh Gandhi

Chief Financial Officer

Swapna Vengurlekar

Company Secretary

Membership No: A32376

Place: Mumbai

Date : May 15, 2021

Place : Mumbai

Date : May 15, 2021

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 issued the InvIT regulations)

A. Consolidated Statement of Net Assets at Fair Value.

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Book value	Fair value	Book value	Fair value
A. Total assets	1,224,053.25	1,427,483.33	1,259,359.61	1,307,950.22
B. Total liabilities	788,746.43	819,384.76	796,819.27	799,171.52
C. Net Assets (A - B)	435,306.82	608,098.57	462,540.34	508,778.70
D. Number of units (in Lakhs)	5,805	5,805	5,805	5,805
E. NAV (C/D)	74.99	104.75	79.68	87.64

Project wise break up of fair value of total assets:

(₹ in Lakhs)

Name of the project	As at March 31, 2021	As at March 31, 2020
IDAA Infrastructure Limited (IDAA)	27,152.49	40,969.37
IRB Talegaon Amravati Tollway Limited (IRBTA)	114,073.30	86,424.96
IRB Jaipur Deoli Tollway Limited (IRBJD)	184,957.55	142,538.44
IRB Surat Dahisar Tollway Limited (IRBSD)	87,026.35	90,764.71
IRB Tumkur Chitradurga Tollway Limited (IRBTC)	816,173.01	767,204.11
M.V.R Infrastructure and Tollways Limited (MVR)	61,221.97	57,941.36
IRB Pathankot Amritsar Toll Road Limited (IRBPA)	174,931.16	137,608.96
Subtotal	1,465,535.83	1,323,451.91
Assets in IRB InvIT Fund	(38,052.50)	(15,501.68)
Total assets	1,427,483.33	1,307,950.23

B. Consolidated Statement of Total Returns at Fair Value :

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total comprehensive income (As per the statement of profit and loss)	18,045.48	17,284.73
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	172,791.75	46,238.37
Total Return	190,837.23	63,523.10

Note:

The fair value of investments in Project SPV's are computed on the basis of the fair value of the underlying Toll Collection Rights as at March 31, 2021 along with the book values of other assets and liabilities accounted in respective Project SPV's financial statements as at March 31, 2021.

Fair value of assets as at March 31, 2021 and as at March 31, 2020 and other changes in fair value for the year then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

Summary of Significant accounting policies (refer note 3)

See accompanying notes to the consolidated financial statements.

As per our report of even date

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Reg no. 121750W/W-100010

Ramesh Gupta

Partner

Membership No.: 102306

For and on behalf of IRB Infrastructure Private Limited

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Vinod Kumar Menon

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Director

DIN : 00874257

Swapna Vengurlekar

Company Secretary

Membership No: A32376

Place: Mumbai

Date : May 15, 2021

Place : Mumbai

Date : May 15, 2021

Disclosures Pursuant to SEBI Circulars

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

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

		(₹ in Lakhs)	
Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1	Cash flows received from Project SPVs in the form of Interest (Refer note 1)	44,391.68	59,426.29
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	338.99	628.16
4	Cash flows received from the project SPVs towards the repayment (Net) of the debt issued to the Project SPVs by the Trust (Refer note 2)	22,393.89	18,054.58
5	Total cash inflow at the Trust level (A)	67,124.56	78,109.03
	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 (Refer note 3)	(9,355.06)	(13,949.35)
7	Income tax (if applicable) at the Standalone Trust Level	-	-
8	Repayment of external debt	(4,309.46)	(3,478.35)
9	Total cash outflows / retention at the Trust level (B)	(13,664.52)	(17,427.70)
10	Net Distributable Cash Flows (C) = (A+B)	53,460.04	60,681.33

Note:

- 1) Excludes interest due but not received of ₹ 13,171.08 Lakhs for the year ended March 31, 2021.
- 2) Netted – off with long-term unsecured loan given to project SPV's.
- 3) Excludes interest of ₹ 4,119.45 Lakhs (Previous year ₹ Nil) which was not paid on account of moratorium availed as per RBI circular dated March 27, 2020 and May 22, 2020.

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

IDAA Infrastructure Limited (IDAA)

		(₹ in Lakhs)	
Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(340.69)	(3,172.91)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	15,970.84	18,387.42
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund	2,122.88	3,518.35
5	Add :- Provision for Resurfacing Expenses (Net)	1,540.80	284.25
6	Add: Non-cash expenses	-	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	Total Adjustments (B)	19,634.52	22,190.02
10	Net Distributable Cash Flows (C) = (A+B)	19,293.83	19,017.11

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

IRB Surat Dahisar Tollway Limited (IRBSD)

		(₹ in Lakhs)	
Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(314.68)	(463.61)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	26,920.37	27,565.97
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	-	-
4	Add: Interest paid to the Fund	3,307.71	5,293.49
5	Add :- Provision for Resurfacing Expenses	(957.33)	(2,411.45)
6	Add: Non-cash expenses	-	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	Total Adjustments (B)	29,270.75	30,448.01
10	Net Distributable Cash Flows (C) = (A+B)	28,956.07	29,984.40

Disclosures Pursuant to SEBI Circulars

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

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

IRB Talegaon Amravati Tollway Limited (IRBTA)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2021	Year ended March 31, 2020
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(1,668.83)	(1,984.87)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	1,042.37	1,093.51
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund	5,989.17	6,015.80
5	Add :- Provision for Resurfacing Expenses	448.03	324.64
6	Add: Non-cash expenses	-	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	Total Adjustments (B)	7,479.57	7,433.95
10	Net Distributable Cash Flows (C) = (A+B)	5,810.74	5,449.08

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

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

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2021	Year ended March 31, 2020
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(254.56)	120.53
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	2,329.19	2,943.92
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add :- Interest paid to the Fund	4,392.56	4,101.31
5	Add :- Provision for Resurfacing Expenses	333.38	(1,275.00)
6	Add: Non-cash expenses	-	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	Total Adjustments (B)	7,055.13	5,770.23
10	Net Distributable Cash Flows (C) = (A+B)	6,800.57	5,890.76

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

IRB Jaipur Deoli Tollway Limited (IRBJD)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2021	Year ended March 31, 2020
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(9,602.59)	(8,958.57)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	1,672.27	2,369.29
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund	13,986.94	12,697.06
5	Add :- Provision for Resurfacing Expenses	(1,372.05)	(752.69)
6	Add: Non-cash expenses	-	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	Total Adjustments (B)	14,287.16	14,313.66
10	Net Distributable Cash Flows (C) = (A+B)	4,684.57	5,355.09

Disclosures Pursuant to SEBI Circulars

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

Statement of Net Distributable Cash Flows (NDCF's) of underlying SPVs

IRB Pathankot Amritsar Toll Road Limited (IRBPA)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2021	Year ended March 31, 2020
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(13,725.25)	(8,328.26)
2	Add :- Depreciation and amortisation as per Statement of profit and loss/income and expenditure	995.47	3,138.16
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add :- Interest paid to the Fund	14,618.94	14,225.96
5	Add :- Provision for Resurfacing Expenses	(1,697.59)	(1,326.15)
6	Add :- Non-cash expenses	-	-
7	Less :- NHAI Premium	-	-
8	Less :- Principal repayment	-	-
9	Total Adjustments (B)	13,916.82	16,037.97
10	Net Distributable Cash Flows (C) = (A+B)	191.57	7,709.71

Statement of Net Distributable Cash Flows (NDCF's) of underlying SPVs

IRB Tumkur Chitradurga Tollway Limited (IRBTC)

(₹ in Lakhs)

Sr. No.	Description	Year ended March 31, 2021	Year ended March 31, 2020
1	Profit after tax as per Statement of profit and loss/income and expenditure (A)	(2,363.27)	(6,836.56)
2	Add: Depreciation and amortisation as per Statement of profit and loss/income and expenditure	12,749.51	13,805.18
3	Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager	-	-
4	Add: Interest paid to the Fund*	13,171.08	13,597.84
5	Add :- Provision for Resurfacing Expenses	(999.29)	(3,389.23)
6	Add: Non-cash expenses	(908.11)	2,912.33
7	Less :- NHAI Premium	(19,332.77)	(19,926.42)
8	Less :- Principal repayment	-	-
9	Total Adjustments (B)	4,680.42	6,999.70
10	Net Distributable Cash Flows (C) = (A+B)	2,317.15	163.14

* Interest due but not paid for the year ended March 31, 2021

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

1. Nature of Operations

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

to the Fund is IDBI Trusteeship Services Limited (the “Trustee”) and Investment manager for the Fund is IRB Infrastructure Private Limited (the “Investment Manager”).

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

The consolidated financial statements comprise of financial statement of IRB InvIT Fund and its seven subsidiaries (collectively, “the Group”) for the year ended March 31, 2021.

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

Sr. No.	Subsidiary Name	Principal Nature of activity	Country of Incorporation	Extent of Control as at March 31, 2021	Extent of Control as at March 31, 2020
1	IDAA Infrastructure Limited (IDAA)	Infrastructure	India	100%	100%
2	IRB Talegaon Amravati Tollway Limited (IRBTA)	Infrastructure	India	100%	100%
3	IRB Jaipur Deoli Tollway Limited (IRBJD)	Infrastructure	India	100%	100%
4	IRB Surat Dahisar Tollway Limited (IRBSD)	Infrastructure	India	100%	100%
5	IRB Tumkur Chitradurga Tollway Limited (IRBTC)	Infrastructure	India	100%	100%
6	M.V.R Infrastructure and Tollways Limited (MVR)	Infrastructure	India	100%	100%
7	IRB Pathankot Amritsar Toll Road Limited (IRBPA)	Infrastructure	India	100%	100%

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

The consolidated financial statements were authorised for issue in accordance with resolution passed by the board of directors of the investment manager on May 15, 2021.

2. Basis of Preparation

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

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

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

3. Summary of Significant Accounting Policies

3.1. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Fund and its subsidiaries as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

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

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

Consolidation Procedure:

- i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the Subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- iv. Non-controlling interests in the net assets of consolidated subsidiaries consists of:
 - a) The amount of equity attributed to non-controlling interests at the date on which investment in a Subsidiary came into existence;
 - b) The non-controlling interest share of movement in equity since the date parent relationship came into existence;
 - c) Non-controlling interest share of net profit/(loss) of consolidated Project SPV for the year is identified and adjusted against the profit after tax of the Group.

3.2. Business Combinations

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

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

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

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

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impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

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

3.3. Asset Acquisition

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

3.4. Use of Estimates

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

3.5. Current Versus Non-current Classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

3.6. Foreign Currencies

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

Transactions and Balances

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

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

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

3.7. Fair Value Measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.8. Revenue Recognition

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

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Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value 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.

Toll Revenue

The income from Toll collection is recognised on the actual collection of toll revenue.

Toll Collection Charges

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

Contract Revenue (Construction Contracts)

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

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

Claim Revenue

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

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a

financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

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

3.9. Government Grants

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

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

3.10. Property, Plant and Equipment

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

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

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

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

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

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

3.11. Intangible Assets

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

Toll Collection Rights

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

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

Premium Obligation

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

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

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

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

3.12. Taxes

Current Income Tax

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

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

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

Minimum Alternate Tax (MAT)

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

Goods and Service Tax Paid on Acquisition of Assets or on Incurring Expenses

Expenses and assets are recognised net of the amount of goods and service tax paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

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

3.13. Borrowing Costs

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

3.14. Leases

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

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Group as a Lessee

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

3.15. Provisions

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

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

3.16. Premium Deferral

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

3.17. Resurfacing Expenses

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

3.18. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed

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

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

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

3.19. Retirement and Other Employee Benefits

Defined contribution plan

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

Defined Benefit Plan

Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

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

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

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

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

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

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

Short Term Benefits

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

Leave Encashment

As per the leave encashment policy of the Group, the employees have to utilise their eligible leave during the calendar year and lapses at the end of the calendar year. Accrual towards compensated absences at the end of the financial year is based on last salary drawn and outstanding leave absence at the end of the financial year.

3.20. Financial Instrument

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

Financial Assets

Initial recognition and measurement

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

Subsequent Measurement

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

- at amortised cost

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

Debt instruments at Amortised Cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt Instrument at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for

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categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

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

Equity Investments

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

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

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

De-recognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group

has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

3.21. Impairment of Assets

Impairment of Financial Assets

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

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

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

Trade Receivables

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

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

Other Financial Assets mainly consists of Loans to employees and Security deposits and other deposits,

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interest accrued on Fixed deposits, loans to related party, Retention money receivable from NHAI, Grant receivable from NHAI and other receivables and advances measured at amortised cost.

Impairment of Non-financial Assets

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

Financial Liabilities

Initial recognition and measurement

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

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

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

Subsequent Measurement

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

Financial Liabilities at fair value through Profit or Loss

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

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

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

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

Financial Guarantee Contracts

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

Retention Money Payable

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

Reclassification of Financial Assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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

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

De-recognition

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

Offsetting of Financial Instruments

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

3.22. Contributed Equity

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

3.23. Distribution to Unit Holders

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

3.24. Cash and Cash Equivalents

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

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

3.25. Asset held for Sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

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

3.26. Earnings Per Unit (EPU)

Basic earnings per unit are calculated by dividing the net profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

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

3.27 New Pronouncements issued but not Effective

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Certain key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are extensive. The Group will evaluate the same to give effect to them as required by law, wherever applicable.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

Note 4 : Property, Plant and Equipment

Particulars	Land		Plant and machinery		Office equipments		Computer		Vehicles		Furniture and fixture		Total	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Gross Block														
Opening Balance	98.61	98.61	4.67	4.37	7.77	7.08	2.69	1.82	1.35	1.35	6.07	5.98	121.15	119.21
Additions	-	-	-	0.30	0.27	0.69	-	0.87	-	-	-	0.09	0.27	1.94
Deletion / adjustment	-	-	-	-	0.12	-	0.27	-	-	-	-	-	0.39	-
Closing Balance	98.61	98.61	4.67	4.67	7.92	7.77	2.42	2.69	1.35	1.35	6.07	6.07	121.03	121.15
Depreciation														
Opening Balance	-	-	2.14	1.53	4.04	3.30	1.37	0.90	0.45	0.45	3.65	2.88	11.65	8.73
Additions	-	-	0.54	0.61	0.48	0.74	0.33	0.47	0.22	0.33	0.36	0.77	1.93	2.92
Deletion/ adjustment	-	-	-	-	0.10	-	0.01	-	-	-	-	-	0.11	-
Closing Balance	-	-	2.68	2.14	4.42	4.04	1.69	1.37	0.67	0.45	4.01	3.65	13.47	11.65
Net Block	98.61	98.61	1.98	2.52	3.50	3.73	0.73	1.32	0.68	0.90	2.06	2.42	107.56	109.50

(₹ in Lakhs)

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

Intangible Assets

(₹ in Lakhs)

Particulars	Toll Collection Rights		Premium to NHAI		Total	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Gross Block						
Opening Balance	742,853.31	742,839.48	667,304.55	667,304.55	1,410,157.86	1,410,144.03
Additions	144.37	19.37	-	-	144.37	19.37
Deletion/ Adjustment	5,880.29	5.54	-	-	5,880.29	5.54
Closing Balance	737,117.39	742,853.31	667,304.55	667,304.55	1,404,421.94	1,410,157.86
Depreciation						
Opening Balance	150,800.13	93,926.54	30,475.23	18,815.85	181,275.36	112,742.39
Additions	50,040.73	56,875.60	10,763.73	11,659.38	60,804.46	68,534.98
Deletion/ Adjustment	487.18	2.01	-	-	487.18	2.01
Closing Balance	200,353.68	150,800.13	41,238.96	30,475.23	241,592.64	181,275.36
Net Block	536,763.71	592,053.18	626,065.59	636,829.32	1,162,829.30	1,228,882.50

Notes :

1. Toll Collection Rights includes toll equipments

Intangible Assets under Development

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	-	-
Additions during the year	212.09	-
Capitalised during the year	-	-
Total	212.09	-

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Financial Assets		
Note 5 : Investments		
A) Non - current investments		
Investments in Government or trust securities		
(unquoted) (at amortised cost)		
National saving certificates	0.40	0.40
Total (A)	0.40	0.40

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
B) Current investments		
a) Investments in mutual funds (quoted)		
(at fair value through profit and loss)		
Aditya Birla Sun Life- Liquid Fund- Direct Plan Growth	9,501.76	-
2,866,008.32 units @ ₹ 331.532 (March 31, 2020 : Nil)		
Aditya Birla Sun Life Overnight Fund- Direct Plan Growth	1,150.15	-
103,343.78 units @ ₹ 1,112.937 (March 31, 2020 : Nil)		
SBI Magnum Low Duration Fund Direct Plan Growth	5,204.24	5,348.67
186,147.18 units @ ₹ 2,795.764 (March 31, 2020 : 203,373.445 units @ ₹ 2,629.974)		
[Mutual fund held for DSRA ₹ 5,204.23 Lakhs (March 31, 2020 : ₹ 5,348.67 Lakhs)]		
Total (B)	15,856.15	5,348.67
Total (A+B)	15,856.55	5,349.07
Aggregate book value of quoted investments	15,856.15	5,348.67
Market value of quoted investments	15,856.15	5,348.67
Aggregate amount of unquoted investments	0.40	0.40

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 6 : Loans				
(Unsecured, considered good, unless otherwise stated)				
Loans to employees	5.80	-	14.49	-
Security and other deposits	68.22	-	84.24	-
Total	74.02	-	98.73	-

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 7 : Other Financial Assets				
Receivable from government authorities	359.34	-	718.96	-
Interest accrued on fixed deposits	0.02	-	0.02	-
Retention money receivables	231.12	-	221.79	-
Other receivables*	533.89	-	77.92	-
Total	1,124.37	-	1,018.69	-

* Includes ₹ 76.20 Lakhs receivable from lenders on account of compounded interest paid during the moratorium period.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 8 : Deferred Tax Assets (net)		
Deferred tax assets:		
Unused Tax credit (MAT)	3,257.84	3,257.84
Deferred tax assets (A)	3,257.84	3,257.84
Deferred tax liabilities:		
Difference in depreciation and other differences in block of Property, plant and equipment as per tax books & financial books	37.51	37.51
Deferred tax liabilities (B)	37.51	37.51
Deferred tax assets (net) (A-B)	3,220.33	3,220.33

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 9 : Cash and Cash Equivalents		
Cash and bank balances		
Balances with banks:		
- on current accounts	114.86	154.17
- on escrow accounts *	39,322.59	18,765.76
Cash on hand	61.75	84.38
Total	39,499.20	19,004.31

* ₹ 3,531.10 Lakhs (Previous year ₹ 9,570.18 Lakhs) is hypothecated against secured loan.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 10 : Bank Balances other than Cash and Cash Equivalent		
- Unpaid distribution accounts	44.04	34.05
Deposits with banks		
- Original maturity of more than 3 months but less than 12 months	34.02	32.11
Total	78.06	66.16

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 11 : Income Tax Assets (net)		
Advance income-tax (net of provision for tax)	722.09	840.70
Total	722.09	840.70

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 12 : Other Current Assets		
Advance with suppliers	104.04	431.77
Work-in-progress	138.90	283.26
Prepaid expenses	8.34	9.07
Duties and taxes receivables	78.39	45.51
Total	329.67	769.61

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note : 13 : Equity		
I. Unit capital		
580,500,000 (March 31, 2020: 580,500,000) units (issue price : ₹ 102)	531,157.50	542,767.50
Issued, Subscribed and fully paid up unit capital		
At the beginning of the year	542,767.50	560,763.00
Less : Capital reduction during the year	(11,610.00)	(17,995.50)
	531,157.50	542,767.50
Initial settlement amount	0.10	0.10

Rights of Unit holders

Subject to the provisions of the InvIT Regulations, the Indenture of Fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

- right to receive income or distributions with respect to the units held;
- right to attend the annual general meeting and other meetings of the unit holders of the Fund;
- right to vote upon any matters/resolutions proposed in relation to the Fund;
- right to receive periodic information having a bearing on the operations or performance of the Fund in accordance with the InvIT Regulations; and
- right to apply to the Fund to take up certain issues at meetings for unit holders approval.

In accordance with the InvIT Regulations, no unit holders shall enjoy superior voting or any other rights over any other unit holders, and there shall not be multiple classes of units. There shall be only one denomination of units. Notwithstanding the above, subordinate units may be issued only to the Sponsor and its Associates, where such subordinate units shall carry only inferior voting or any other rights compared to the other units.

Limitation to the Liability of the Unit Holders

The liability of each unit holders towards the payment of any amount (that may arise in relation to the Fund including any taxes, duties, fines, levies, liabilities, costs or expenses) shall be limited only to the extent of the capital contribution of such unit holders and after such capital contribution shall have been paid in full by the unit holders, the unit holders shall not be obligated to make any further payments. The unit holders(s) shall not have any personal liability or obligation with respect to the Fund

II. Reconciliation of the number of units outstanding and the amount of unit capital:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of units	Amount ₹ in Lakhs	No. of units	Amount ₹ in Lakhs
At the beginning of the year	580,500,000	542,767.50	580,500,000	560,763.00
Issued during the year	-	-	-	-
Less: Capital reduction during the year	-	11,610.00	-	17,995.50
At the end of the year	580,500,000	531,157.50	580,500,000	542,767.50

Details of unit holders holding more than 5% units :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of units	% of total unit capital	No. of units	% of total unit capital
IRB Infrastructure Developers Limited	92,705,000	15.97%	92,705,000	15.97%
Government Of Singapore	45,782,500	7.89%	47,950,000	8.26%
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Hybrid '95 Fund	37,100,000	6.40%	37,100,000	6.40%

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note : 14 : Other Equity		
Retained earnings		
At the beginning of the year	(80,227.27)	(49,911.00)
Profit/(loss) for the year	18,084.16	17,269.94
Other comprehensive income/(loss) for the year		
Re-measurement gains/ (losses) on defined benefit plans	(38.68)	14.79
Interest distribution (refer note 41)	(33,669.00)	(47,601.00)
At the end of the year	(95,850.79)	(80,227.27)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note : 15 : Borrowings		
Non-current borrowings		
Term loans		
Indian rupee loan from banks (secured)	147,630.45	147,820.46
Less : current maturities expected to be settled within 12 month from balance sheet date	(5,425.00)	(6,584.46)
	142,205.45	141,236.00
Unamortised transaction cost	(1,033.73)	(1,119.87)
From other parties		
Deferred premium obligation (secured)	29,771.45	29,771.45
Less : current maturities expected to be settled within 12 month from balance sheet date	-	(600.00)
	29,771.45	29,171.45
Total	170,943.17	169,287.58

1. Indian Rupee Loan from Banks

- Secured by first charge on escrow account and on receivable of fund arising out of principal and interest payment of the loans by fund to subsidiaries.
- Pledge of shares held of 51% of share holding in the total paid-up equity share capital of IRB Jaipur Deoli Tollway Limited and IRB Pathankot Amritsar Toll Road Limited.
- Interest rates on Indian rupee loan from State Bank of India is MCLR + 0.15% and IDFC First Bank is 8.15%. The Indian rupee loans from banks is repayable in unstructured monthly instalment as per the repayment schedule specified in loan agreement with the Lenders.
- As per RBI Circular dated March 27, 2020 and May 22, 2020, the Group has availed moratorium from Mar 2020 to August 2020.

2. Deferred Premium Obligation

National Highways Authority of India has approved deferment of premium obligation which carries interest rate @2% above the RBI bank rate. Bank guarantee has been provided to NHAI. The repayment is in accordance with the cash surplus accruing to the Company over the concession period.

There have been no breaches in the financial covenants with respect to borrowings.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 16 : Other Financial Liabilities				
Current maturities of long-term borrowings	5,425.00	-	6,584.46	-
Interest accrued on borrowings	10.27	-	1,036.88	-
Premium obligation/ negative grant to NHAI	44,081.87	530,558.65	26,880.25	551,235.06
Current maturities of deferred premium obligation	-	-	600.00	-
Interest on premium deferment	-	13,498.29	-	10,931.60
Unclaimed distribution	44.04	-	34.05	-
Deposits	13.12	-	20.35	-
Retention money payable	224.30	-	189.46	-
Revenue share payable	8,360.46	-	3,767.84	-
Employee benefits payable	229.99	-	67.07	-
Other payable	359.09	-	363.68	-
Capital Creditors	-	1,696.49	-	7,839.41
Total	58,748.14	545,753.43	39,544.04	570,006.07

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Note 17 : Provisions				
Provision for employee benefits				
- Leave encashment	8.33	-	6.60	-
- Gratuity (Refer note 40)	20.64	217.76	15.61	161.51
Others				
Resurfacing expenses *	10,670.65	1,085.89	10,308.28	4,152.32
Total	10,699.62	1,303.65	10,330.49	4,313.83

* The above provisions are based on current best estimation of expenses that may be required to fulfil the resurfacing obligation as per the service concession agreement with regulatory authorities. It is expected that significant portion of the costs will be incurred over the period. The actual expense incurred may vary from the above. No reimbursements are expected from any sources against the above obligation.

The movement in resurfacing expenses is as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	14,460.60	23,006.24
Add : Provision made during the year	5,818.16	6,023.03
Less: Utilised during the year	(8,522.22)	(14,568.67)
Total	11,756.54	14,460.60

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note : 18 : Trade Payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 31)	9.42	76.00
Total outstanding dues of creditors other than micro and small enterprises	1,074.63	3,134.88
Total	1,084.05	3,210.88

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 19 : Other Current Liabilities		
Advance from customers	67.35	-
Duties and taxes payable	147.02	126.38
Total	214.37	126.38

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 20 : Revenue from Operations		
Income arising out of toll collection (net of revenue share paid to NHAI)	110,249.09	123,503.83
Toll collection charges (net of additional revenue share paid to NHAI)	87.03	94.05
Contract revenue (Utility shifting)	472.34	459.37
Other operating income	3,474.80	-
Total	114,283.26	124,057.25

Disaggregated revenue information

The table below presents disaggregated revenue from contracts with customers

Income from services (Revenue from contracts with Customers)

Services transferred over time

Income from toll collection	110,249.09	123,503.83
Contract revenue (Utility shifting)	472.34	459.37
Toll collection charges	87.03	94.05

Revenue from contracts with customers

110,808.46 **124,057.25**

Other operating revenue

Other operating revenue	3,474.80	-
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Total revenue from operation

114,283.26 **124,057.25**

Performance Obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by NHAI and approved by management and payment is generally due at the time of providing services.

Contract revenue

The performance obligation under contractual agreements is due on completion of work as per terms of contracts.

Contract balances

There are no reconciling items in the revenue recognised in the statement of profit and loss with contracted price.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 21 : Other Income		
Interest income on		
- Bank deposits	28.19	52.26
- Others	1,139.39	435.66
Profit on sale of investments (net)	551.64	481.42
Change in fair value on mutual funds	(141.99)	295.75
Profit on sale of intangible assets	204.81	-
Other non operating income	23.51	1,686.85
Total	1,805.55	2,951.94

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 22 : Operating Expenses		
Operation and maintenance expenses	5,539.04	3,346.12
Site and other direct expenses	1,177.97	1,130.19
Total	6,717.01	4,476.31

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 23 : Employee benefits Expense		
Salaries, wages and bonus	2,041.58	2,237.90
Contribution to provident and other funds	123.56	141.40
Gratuity expenses (Refer note 40)	29.38	33.97
Staff welfare expenses	234.03	313.55
Total	2,428.55	2,726.82

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 24 : Depreciation and Amortisation Expenses		
Depreciation on property, plant and equipment	1.93	2.91
Amortisation on intangible assets	60,804.46	68,534.98
Total	60,806.39	68,537.89

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 25 : Finance Costs		
Interest expense		
- Banks and financial institutions	11,591.22	12,443.49
- Premium deferment	2,566.69	2,912.33
- Unwinding of discount on provision of MMR	279.12	902.86
Other finance costs (Including Unamortise transaction cost)	101.18	102.64
Total	14,538.21	16,361.32

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 26 : Other Expenses		
Power and fuel	9.56	179.27
Rent	13.06	82.21
Rates and taxes	82.34	8.99
Travelling and conveyance	2.54	58.08
Vehicle expenses	0.76	76.34
Communication cost	1.08	7.60
Printing and stationery	0.07	108.13

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Advertisement expenses	10.23	31.83
Directors sitting fees (including GST)	21.17	30.46
Legal and professional expenses	233.40	462.12
Payment to Auditor (including GST)	43.91	47.46
Bank charges	31.65	81.87
Miscellaneous expenses	45.71	247.85
Total	495.48	1,422.21
Payment to auditor (including GST)		
As auditors:		
- Statutory audit fees	19.54	24.44
- Limited review fees	18.90	16.29
In other capacity:		
- Other services (certification fees)	4.71	2.34
Reimbursement of expenses	0.76	4.39
	43.91	47.46

Note 27 : Earnings per unit (EPU)

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

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit / (loss) attributable to Unit holders for basic and diluted earnings	18,084.16	17,269.94
Weighted average number of Units in calculating basic and diluted EPU	580,500,000	580,500,000
Basic earning per Unit (Rupees/unit)	3.12	2.98
Diluted earning per Unit (Rupees/unit)	3.12	2.98

Note 28 : Components of other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Re-measurement gains/ (losses) on defined benefit plans (Refer note 40)	(38.68)	14.79
Total	(38.68)	14.79

Note 29 : Commitment and Contingencies

a. Commitments

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Estimated value of contracts in capital account remaining to be executed	-	-
b) Commitment for acquisition of toll equipment & machineries	156.01	-
c) Other commitments	-	-
	156.01	-

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for the year ended March 31, 2021

b. Contingent Liability

Contingent Liabilities not provided for

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
NHAI claim for shortfall in Revenue share	-	3,289.08
Total	-	3,289.08

- i) During the year, Concessionaire has concluded its conciliation process with NHAI and it is agreed by both parties that amount of ₹ 84 Lakhs as assessed by IE was already paid against the above claim in earlier years by the concessionaire and therefore there is no further claim on this account.
- ii) The Group's pending litigations comprise of claims against the Group primarily by the commuters and regulators. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. The Group has not provided for or disclosed contingent liabilities for matters considered as remote for pending litigations/public litigations(PIL)/claims wherein the management is confident, based on the internal legal assessment and advice of its lawyers that these litigations would not result into any liabilities. The Group does not expect the outcome of these proceedings to have a material adverse effect on the consolidated financial statements.
- iii) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident fund dated February 28, 2019. Management believed and evaluated that the impact is not material. The company will update its provision, on receiving further clarity on the subject.

Note 30 : Segment Reporting

The Group's activities comprise of Toll Collection in Various parts of India. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of the standard have not separately been given.

Note 31 : Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

The following details regarding Micro and small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Group.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the period end	9.42	76.00
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	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

Note 32 : Fair Values

The carrying values of financial instruments of the group are reasonable and approximations of fair values

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets				
Loans	74.02	74.02	98.73	98.73
Other financial assets	1,124.37	1,124.37	1,018.69	1,018.69
Cash and cash equivalents	39,499.20	39,499.20	19,004.31	19,004.31
Bank balance other than cash and cash equivalents	78.06	78.06	66.16	66.16
Investments	15,856.55	15,856.55	5,349.07	5,349.07
Total	56,632.20	56,632.20	25,536.96	25,536.96
Financial liabilities				
Borrowings	170,943.17	171,976.90	169,287.58	170,407.45
Trade payables	1,084.05	1,084.05	3,210.88	3,210.88
Other financial liabilities	604,501.57	604,501.57	609,550.11	609,550.11
	776,528.79	777,562.52	782,048.57	783,168.44

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

The Group is required to present the Statement of total assets at fair value and Statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 as a part of these consolidated financial statements - Refer Statement of Net assets at fair value and Statement of Total Returns at fair value.

The inputs to the valuation models for computation of fair value of road assets for the above mentioned statements 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.

Note 33 : 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in Lakhs)

	As at March 31, 2021	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Investments in mutual fund	15,856.15	15,856.15	-	-

(₹ in Lakhs)

	As at March 31, 2020	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Investments in mutual fund	5,348.67	5,348.67	-	-

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

Note 34 : Financial Risk Management Objectives and Policies

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

In performing its operating, investing and financing activities, the Group is exposed to the Credit risk, Liquidity risk and Currency risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Fund is exposed to credit risk from its investing activities including investments, trade receivables, loans, deposits with banks and other financial instruments. As at March 31, 2021, and As at March 31, 2020 the credit risk is considered low since substantial transactions of the Fund are with its subsidiaries.

Interest Rate Risk

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

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the fund's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Increase in basis points		
- INR	50	50
Effect on profit before tax		
- INR	728.01	926.75
Decrease in basis points		
- INR	50	50
Effect on profit before tax		
- INR	(728.01)	(926.75)

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Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

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

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2021				
Borrowings	16,389.21	78,893.58	183,991.55	279,274.34
Other financial liabilities	53,323.14	106,888.39	438,865.03	599,076.57
Trade payables	1,084.05	-	-	1,084.05
Total	70,796.40	185,781.97	622,856.58	879,434.95

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
As at March 31, 2020				
Borrowings	18,995.55	72,156.93	197,997.18	289,149.65
Other financial liabilities	32,959.58	106,019.80	463,986.27	602,965.65
Trade payables	3,210.88	-	-	3,210.88
Total	55,166.01	178,176.72	661,983.45	895,326.18

At present, the Group does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

Note 35 : Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2021 and March 31, 2020. 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.

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings (Note 15)	177,401.90	177,591.91
Less: Cash and cash equivalents (Note 9)	(39,499.20)	(19,004.31)
Net debt	137,902.70	158,587.60
Equity (Note 13 & 14)	435,306.81	462,540.33
Total equity	435,306.81	462,540.33
Capital and net debt	573,209.51	621,127.93
Gearing ratio (%)	24.06%	25.53%

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.

Notes to Consolidated Financial Statements

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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. CIR/MD/DF/127/2016, dated November 29, 2016 are as under:

i) Project Management Fees

In accordance with the Project Implementation Agreements, the fees and remuneration payable by the Project SPVs to the Project Manager has been worked out and agreed upon for the duration of current financial year, between the Project Manager, Investment Manager and the respective Project SPV, on an arm's length basis, after taking into account the extent of work to be done in respect of maintenance and other services to be provided by the Project Manager to such Project SPV.

ii) Investment Management Fees

Pursuant to the Investment Management Agreement, the Investment Manager is entitled to an Investment Management fees to be calculated @ 1% per annum, exclusive of GST, of the consolidated toll revenue (net of premium paid / revenue shared with NHAI) of the Fund at the end of the reporting period subject to a floor of ₹ 100 million and a cap of ₹ 250 million. Considering the COVID-19 impact, the Board of Directors of Investment manager has reduced the Investment management fees by 50% for financial year 2020-2021 and also reduction in floor price by 50% for financial year 2020-21. Therefore, the revised management fees to be calculated is 0.50% per annum exclusive of GST subject to a floor of ₹ 50 million.

Note 37 : Significant Accounting Judgement, Estimates and Assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and Assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Classification of unit holders' Funds

Under the provisions of the InvIT Regulations, the Group is required to distribute to unit holders not less than ninety percent of the net distributable cashflows of the Group for each financial year. Accordingly, a portion of the unit holders' funds contains a contractual obligation of the Fund to pay to its unit holders cash distributions. The unit holders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32- Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No.CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unit holders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

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 within the next financial year, are described below. 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 changes are reflected in the assumptions when they occur.

i) Major Maintenance Expenses / Resurfacing Expenses

As per the Service Concession Agreements, the Group is obligated to carry out resurfacing of the roads under concession. Provision required for resurfacing expenses are measured at the present value of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost, in the statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Notes to Consolidated Financial Statements

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ii) Fair Value and Disclosures

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer Statement of net assets at fair value and Statement of total returns at fair value). In estimating the fair value of road projects (which constitutes substantial portion of the total assets), the Group engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the road projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as Debt-equity ratio, WACC, Tax rates, Inflation rates, and uncertainties relating to COVID -19 etc.

iii) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The subsidiary companies shall be claiming deduction under section 80-IA of the Income Tax Act, 1961. There are significant timing differences that result in deferred tax assets/ liabilities and which shall be reversing during the said tax holiday period. Consequently, the Company has not recognized any deferred tax asset/liability on such non-taxable income.

iv) Defined benefit Plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet and is measured as the present value of the defined benefit obligation at the reporting date. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 40 for details of the key assumptions used in determining the accounting for these plans.

v) Amortization of Intangible Assets

The intangible assets which are recognized in the form of Right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets. The estimation of total projection revenue requires significant assumption about expected growth rate and traffic projection for future. All assumptions are reviewed at each reporting date.

vi) Impairment of Intangible Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the intangible assets are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from budgets / forecasts over the life of the projects

Note 38 : Revenue share/ Premium payment to NHAI

- (a) During the year ended March 31, 2021, the Group has paid/accrued ₹ 34,931.60 Lakhs (March 31, 2020 ₹ 36,976.84 Lakhs) as Revenue Share to National Highways Authority of India ("NHAI") out of its toll collection in accordance with the Concession Agreements entered with NHAI. Income from Operations in the financials for the above periods is net off the above Revenue Share to NHAI.
- (b) Subsidiary companies i.e. IRBTC and MVR have been awarded contracts on a DBFOT basis. As per the terms of the concession agreement, the group is obligated to pay NHAI as additional concession fee over the concession period. Accordingly, the liability for the entire amount of concession fee payable has been created and the corresponding amount is shown as Toll Collection Rights under the head Intangible Assets.
- (c) Due to dispute on the deferred premium calculation of previous years between the concessionaire and the NHAI, the concessionaire has filed appeal with the Honorable High Court of Delhi for resolution against the NHAI's demand of advance premium of ₹ 16.98 crore in aggregate and interest on it. As per the interim order of the Division Bench of Honorable High Court, withdrawals from Escrow Account are not permitted till final order in the matter. Currently, the matter is under appeal with the Honorable High Court. Hence, the premium payable to NHAI remains unpaid and has been considered under the current liability as on March 31, 2021.

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

Note 39 :Statement of Related Party Transactions :

i. List of Related Parties

i. Parties to the Fund	IRB Infrastructure Developers Limited (IRBIDL) (Sponsor)
	IRB Infrastructure Private Limited (IRBFL) (Investment Manager)
	Modern Road Makers Private Limited (MRMPL) (Project Manager) (Up till May 15, 2019)
	IRB Infrastructure Developers Limited (IRBIDL) (Project Manager) (w.e.f. May 16, 2019)
	IDBI Trusteeship Services Limited (ITSL) (Trustee)

ii. Promoters/ Directors of the parties to the IRB InvIT Fund specified in (i) above

Particulars	IRB Infrastructure Developers Limited (Sponsor and Project Manager)	IRB Infrastructure Private Limited (Investment Manager)	Modern Road Makers Private Limited (Project Manager)	IDBI Trusteeship Services Limited (Trustee of the IRB InvIT Fund)
Promoters	Mr. Virendra D. Mhaikar	IRB Infrastructure Developers Limited	IRB Infrastructure Developers Limited	IDBI Bank Limited
	Mrs. Deepali V. Mhaikar			Life Insurance Corporation of India
	Virendra D. Mhaikar HUF			General Insurance Corporation of India
Directors	Mr. Virendra D. Mhaikar	Mr. Vinodkumar Menon	Mr. Mukeshlal Gupta	Mr. J.Samuel Joseph (w.e.f. 25.11.2019)
	Mrs. Deepali V. Mhaikar	Mr. Rajinder Pal Singh	Mr. Dhananjay K. Joshi	Mr. Ravishankar G. Shinde
	Mr. Mukeshlal Gupta	Mr. Sunil Tandon (w.e.f. 05.06.2020)	Mr. Rajpaul S. Sharma	Ms. Madhuri J. Kulkarni
	Mr. Sudhir Rao Hoshing	Mr. Bajrang Lal Gupta (till 24.05.2020)	Mrs.Arati Taskar (w.e.f. 25.02.2020)	Mr. Satyajit Tripathy (w.e.f. 15.02.2020)
	Mr. Chandrashekhar S. Kaptan	Mr. Sumit Banerjee (till 31.07.2020)	Mr. Ajay P. Deshmukh (till 26.03.2021)	Ms. Padma Betai (w.e.f. 19.03.2020)
	Mr. Sunil H. Talati			
	Mr. Sandeep J. Shah		Mr. Sandeep J. Shah (w.e.f. 25.02.2020)	Mr. G.M. Yadwadkar (till 30.10.2019)
	Mrs. Heena Raja		Mr. Chandrashekhar S. Kaptan (w.e.f. 25.02.2020)	Mr. Swapan Kumar Bagchi (till 03.03.2020)
			Mrs. Heena Raja (till 25.02.2020)	Mr. Saurabh Chandra (till 21.05.2019)
				Ms.Sashikala Muralidharan (till 16.01.2020)
iii. Directors of Subsidiaries	Mr. Vinodkumar Menon Mr. Tushar Kawedia (resigned w.e.f. 26.03.2021) Mr. Urmil Shah (resigned w.e.f. 26.06.2019) Mr. Rushabh Gandhi (w.e.f. 31.03.2021) Mr. Bajrang Lal Gupta Mr. Sumit Banerjee Mr. Jitendra Sharma (resigned w.e.f. 16.10.2019) Mrs. Heena Raja (w.e.f.30.03.2019) Mr. Om Prakash Singh (w.e.f. 30.10.2019)			

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

iii Statement of Related Party Transactions :

(₹ in Lakhs)

Sr. No.	Particulars	Relation	Year ended March 31, 2021	Year ended March 31, 2020
	Related party transactions at the year end			
1	Project Manager Fees		20,708.22	26,868.03
	MRMPL	Project Manager	-	3,879.25
	IRBIDL	Project Manager	20,708.22	22,988.78
2	Investment Management fees paid (including indirect taxes)		590.00	1,220.49
	IRBFL	Investment Manager	590.00	1,220.49
3	Secured advance given		14,775.54	46,622.04
	IRBIDL	Project Manager	14,775.54	46,622.04
4	Secured advance recovered		15,203.53	46,194.06
	IRBIDL	Project Manager	15,203.53	46,194.06
5	Performance security repaid		-	2,950.00
	MRMPL	Project Manager	-	2,950.00
6	Interest income		361.51	418.15
	IRBIDL	Project Manager	361.51	418.15
7	Director sitting fees	Director	17.94	24.53
	Mr.Vinodkumar Menon		3.42	4.39
	Mr.Tushar Kawedia		1.72	2.41
	Mr.Urmil Shah		-	0.93
	Mr.Sumit Banarjee		4.70	6.85
	Mrs.Heena Raja		5.40	6.65
	Mr. Jitendra Sharma		-	0.80
	Mr. Omprakash Singh		0.90	-
	Mr. Bajrang Lal Gupta		1.80	2.50
8	Trusteeship Fees		29.50	29.50
	ITSL	Trustee	29.50	29.50
9	Distribution in the form of interest		6,188.86	8,725.23
	IRBIDL	Sponsor	5,376.89	7,601.81
	Mr. Virendra D. Mhaikar	Director of Sponsor	709.92	959.40
	Mrs. Deepali V. Mhaikar	Director of Sponsor	89.90	127.10
	Mr. Sudhir Rao Hoshing	Director of Sponsor	9.28	8.60
	Mr. Mukeshlal Gupta	Director of Sponsor & Project Manager	-	8.68
	Mr. Vinodkumar Menon	Director of Investment Manager	1.74	2.46
	Mr. Bajrang Lal Gupta	Director of Investment Manager	-	0.41
	Mr. Sumit Banerjee	Director of Project Manager	0.55	3.26
	Mr. Dhananjay K. Joshi	Director of Project Manager	-	1.23
	Mr. Ajay P. Deshmukh	Director of Project Manager	-	10.66
	Mr. Rajpaul S. Sharma	Director of Project Manager	-	0.82
	Mr. Sunil Talati	Director of Sponsor & Project Manager	0.58	0.20
	Mr. Chandrashekhar Kaptan	Director of Sponsor & Project Manager	-	0.60
10	Distribution in the form of return of capital		2,134.34	3,298.58
	IRBIDL	Sponsor	1,854.10	2,873.86
	Mr. Virendra D. Mhaikar	Director of Sponsor	244.80	362.70
	Mrs. Deepali V. Mhaikar	Director of Sponsor	31.00	48.05
	Mr. Sudhir Rao Hoshing	Director of Sponsor	3.20	3.24
	Mr. Mukeshlal Gupta	Director of Sponsor & Project Manager	-	3.36
	Mr. Vinodkumar Menon	Director of Investment Manager	0.60	0.93
	Mr. Bajrang Lal Gupta	Director of Investment Manager	-	0.16
	Mr. Sumit Banerjee	Director of Investment Manager	0.44	1.22
	Mr. Dhananjay K. Joshi	Director of Project Manager	-	0.47
	Mr. Ajay P. Deshmukh	Director of Project Manager	-	4.03
	Mr. Rajpaul S. Sharma	Director of Project Manager	-	0.31
	Mr. Sunil Talati	Director of Sponsor & Project Manager	0.20	0.07
	Mr. Chandrashekhar Kaptan	Director of Sponsor & Project Manager	-	0.18

Notes to Consolidated Financial Statements

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iv Related Party Balances :

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As on March 31, 2021	As on March 31, 2020
1	Trade Payables		138.13	2,519.48
	IRBFL	Investment Manager	138.13	816.06
	IRBIDL	Project Manager	-	1,703.42
2	Secured Advance		-	427.98
	IRBIDL	Project Manager	-	427.98
3	Director sitting fees payable	Director	0.05	1.27
	Mr. Vinodkumar Menon		0.05	0.23
	Mr. Tushar Kawedia		-	0.14
	Mrs. Heena Raja		-	0.45
	Mr. Bajrang Lal Gupta		-	0.45

Note 40 : Gratuity and other Post Employment benefit Plans

(a) Defined Contribution Plan

The following amount recognized as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contribution in defined plan	123.56	141.40

(b) Defined Benefit Plan

The Group has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	18.82	20.98
Past service cost	-	-
Interest cost on benefit obligation	10.56	12.99
(Gain) / losses on settlement	-	-
Net benefit expense recognised in statement of profit and loss (A) (before tax)	29.38	33.97
Amount recorded in Other comprehensive income (OCI)		
Remeasurement during the year due to :		
Actuarial loss / (gain) arising from change in financial assumptions	(1.96)	22.51
Actuarial loss / (gain) arising from change in Demographic Assumptions	6.36	(0.44)
Actuarial loss / (gain) arising on account of experience changes	34.27	(36.86)
Amount recognised in OCI during the year (B) (before tax)	38.68	(14.79)
Total charge recognised during the year in statement of profit and loss and OCI (A+B)	68.05	19.18

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Reconciliation of net liability / asset		
Opening defined benefit liability / (assets)	177.12	174.89
Additions on acquisition of projects		
Expense charged to profit & loss account	29.38	33.97
Amount recognised in outside profit and loss statement	38.68	(14.79)
Actual Benefits paid	(6.77)	(16.95)
Closing net defined benefit liability / (asset)	238.40	177.12
Balance sheet		
Benefit liability / (asset)		
Defined benefit obligation	238.40	177.12
Fair value of plan assets		
Present value of unfunded obligations	238.40	177.12
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	177.12	174.89
Additions on acquisition of projects	-	-
Current service cost	18.82	20.98
Past service cost	-	-
Interest on defined benefit obligation	10.56	12.99
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	(1.96)	22.51
Actuarial loss / (gain) arising from change in Demographic Assumptions	6.36	(0.44)
Actuarial loss / (gain) arising on account of experience changes	34.27	(36.86)
Benefits paid	(6.77)	(16.95)
Closing defined benefit obligation	238.40	177.12
Net liability is bifurcated as follows :		
Current	20.64	15.61
Non-current	217.76	161.51
Net liability	238.40	177.12

The principal assumptions used in determining gratuity benefit obligation for the Group's plans are shown below:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rate	6.25% - 6.50%	6.05% - 6.75%
Expected rate of return on plan assets (p.a.)	N.A.	N.A.
Salary escalation	8.50%	8.50%
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

A quantitative analysis for significant assumption is as shown below:

Indian gratuity plan:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Assumptions -Discount rate		
Sensitivity Level	0.50%	0.50%
Impact of Increase in 50 bps on defined benefit obligation	(10.78)	(8.37)
Impact of Decrease in 50 bps on defined benefit obligation	4.50	4.50
Assumptions - Salary Escalation rate		
Sensitivity Level	0.50%	0.50%
Impact on defined benefit obligation		
Impact of Increase in 50 bps on defined benefit obligation	10.78	6.35
Impact of Decrease in 50 bps on defined benefit obligation	(10.11)	(6.00)

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The gratuity liabilities of the Company are unfunded and hence there are no assets held to meet the liabilities.

The following payments are expected contributions to the defined benefit plan in future years

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Within the next 12 months (next annual reporting period)	20.64	15.61
Between 2 and 5 years	75.38	53.46
Between 6 and 10 years	85.51	66.49
Total expected payments	181.54	135.56
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	9.49 -10.05 years	9.07 -9.94 years

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 41 : Distribution made		
Distributed during the year as :		
Interest	33,669.00	47,601.00
Return on capital	11,610.00	17,995.50
	45,279.00	65,596.50

Note 42 : Income Tax

The major components of income tax expense for the year ended March 31, 2021 and March 31, 2020 are:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax:		
Current income tax charge	(1.85)	10.05
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Reversal of temporary differences	-	2.69
Income tax expense reported in the statement of profit or loss	(1.85)	12.74

Reconciliation of tax expenses and the accounting of profit multiplied by Indian domestic tax rate for March 31, 2021 and March 31, 2020 are:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/(loss) before tax	18,082	17,282.68
Tax rate	25.47%	25.47%
Expected income tax at India's statutory rate	(4,605.56)	(4,401.90)
Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust	4,605.56	4,401.90
MAT liability on book profit	(1.85)	10.05
Deferred tax	-	2.69
Income tax expense reported in the statement of profit and loss	(1.85)	12.74

Notes to Consolidated Financial Statements

for the year ended March 31, 2021

Note 43 : Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 44 : Estimation of Uncertainties Relating to the Global Health Pandemic from COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activity. As per the directions of the Ministry of Road Transport & Highways (MoRTH)/ National Highway Authority of India (NHAI), in order to follow MHA guidelines about commercial and private establishment in the wake of COVID-19 epidemic in the country, operations at the toll plaza of the subsidiary companies were closed down w.e.f. March 26, 2020. The toll operations were resumed from April 20, 2020 by ensuring compliance with preventive measures in terms of guidelines/ instructions issue by Government of India to contain spread of COVID-19.

Due to this, traffic for the toll road has been impacted during the first half of Financial year 2020-21. In accordance with the Concession Agreement and NHAI Policy no. 8.3.33/2020 and 8.4.20/2020 dated May 26, 2020, the subsidiary companies are eligible for extension of concession period with NHAI towards loss of revenue due to COVID-19 pandemic situation and NHAI is also extending COVID-19 loan to the Concessionaire for shortfall in cashflow.

The management has considered internal and external information up to the date of approval of these consolidated financial results including communication from the aforesaid regulatory agencies. The management has assessed and determined that considering the nature of its operations and overall revenue model, COVID-19 does not have any material impact on the Group's financial position as at March 31, 2021, its financial performance for the year then ended and its internal control over financial reporting as at March 31, 2021.

Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these consolidated financial statements, and this will continue to be monitored in future periods.

Note 45 : Previous Year Comparatives

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

Note 46 : Subsequent Events

The Board of Directors of the Investment Manager have approved 4th Distribution of ₹ 2.50 per unit which comprises of ₹ 1.70 per unit as interest and ₹ 0.80 per unit as return of capital in their meeting held on May 15, 2021.

As per our report of even date

For Suresh Surana and associates LLP

Chartered Accountants

Firm's Reg no. 121750W/W-100010

For and on behalf of IRB Infrastructure Private Limited

(Investment Manager of IRB InvIT Fund)

Ramesh Gupta

Partner

Membership No.: 102306

Vinod Kumar Menon

CEO & Wholtime Director

DIN : 03075345

Sunil Tandon

Director

DIN : 00874257

Rushabh Gandhi

Chief Financial Officer

Swapna Vengurlekar

Company Secretary

Membership No: A32376

Place: Mumbai

Date : May 15, 2021

Place : Mumbai

Date : May 15, 2021

Independent Auditors' Report

To,

The Unit holders of IRB InvIT Fund

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of IRB InvIT Fund ("the Fund"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including the Other Comprehensive Income, the Statement of Changes in Unit Holders' Equity and the Statement of Cash Flows for the year then ended and the Statement of Net Assets at fair value as at March 31, 2021 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and / or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015 and

other accounting principles generally accepted in India, of the state of affairs of the Fund as at March 31, 2021, its profit including other comprehensive income, movement of the unit holders' funds and its cash flows for the year ended March 31, 2021, its net assets at fair value as at March 31, 2021, its total returns at fair value and the net distributable cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr.No.	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Assessing Impairment of investments and loans in subsidiary companies (note 3.09, 4.1, 4.2 and 5.4)</p> <p>As at March 31, 2021, the carrying values of Fund's investment in subsidiaries amounted to ₹ 226,936.48 Lakhs. Further, the Fund has granted loans to its subsidiaries amounting to ₹ 424,761.90 Lakhs.</p> <p>Management reviews regularly whether there are any indicators of impairment of such investments / loans by reference to the requirements under Ind AS. Management performs its impairment assessment by comparing the carrying value of these investments / loans made to their recoverable amount to determine whether impairment needs to be recognized.</p> <p>For impairment testing, value in use has been determined by forecasting and discounting future cash flows of subsidiary companies. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projection for revenues and discounting rate. The determination of the recoverable amount from subsidiary companies involves significant judgment and accordingly, the evaluation of impairment of investments / loans in subsidiary companies has been determined as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Fund's valuation methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process; - Assessed the assumptions around the key drivers of the cash flow forecasts, discount rates, revenue projection based on the independent experts traffic study report, etc. by management and independent valuer, including considerations due to current economic and market conditions including effects of COVID-19 pandemic; - Assessed the appropriateness of the weighted average cost of capital used in the determining recoverable amount by engaging valuation expert; - Discussed / Evaluated potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable, including considerations due to current economic and market conditions including effects of COVID-19 pandemic.

Sr.No. Key Audit Matter	How our audit addressed the key audit matter
<p>2 Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value</p> <p>(as described in note 30 and in Statement of Net assets at fair value and Statement of total returns at fair value of the standalone financial statements)</p> <p>As per the provisions of InvIT Regulations, the Fund is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.</p> <p>Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the standalone financial statements.</p>	<ul style="list-style-type: none"> - Assessed the recoverable value headroom by performing sensitivity analysis of key assumptions used. - Tested the arithmetical accuracy of the model. - As regards loans granted to subsidiary companies, we have obtained and considered management evaluations of recoverability of loans granted to its subsidiary companies. <p>Our audit procedures include the following-</p> <ul style="list-style-type: none"> - Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. - Assessed the appropriateness of independent valuer's and management's valuation methodology applied in determining the fair values. - Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation. - We involved valuation specialists to: <ol style="list-style-type: none"> a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data. b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer, including considerations due to current economic and market conditions including effects of COVID-19 pandemic. c) Discussed changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable, including considerations due to current economic and market conditions including effects of COVID-19 pandemic. - Tested the arithmetical accuracy of computation in the Statement of Net Assets and Total Returns at Fair Value - Read / Assessed the disclosures in the standalone financial statements for compliance with the relevant requirements of InvIT Regulations.
<p>3 Related party transactions and disclosures</p> <p>(as described in note 22 of the standalone financial statements)</p> <p>The Fund has undertaken transactions with its related parties in the normal course of business. These include making new loans to SPVs, interest on such loans, fees for services provided by related parties to Fund etc. as disclosed in Note 22 of the standalone financial statements.</p> <p>We identified the accuracy and completeness of related party transactions and its disclosure as set out in respective notes to the standalone financial statements as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2021 and regulatory compliance thereon.</p>	<p>Our audit procedures, included the following:</p> <ul style="list-style-type: none"> - Obtained, read and assessed the Fund's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length, obtaining necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with InvIT regulations. - We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents for appropriate authorization and approval for such transactions. - We read minutes of Unit holder meetings, Board and its relevant committee meetings and minutes of meetings of those charged with governance of the Manager in connection with transactions with related parties affected during the year and Fund's assessment of related party transactions being in the ordinary course of business at arm's length and in accordance with the InvIT regulations. - Assessed and tested the disclosures made in accordance with the requirements of Ind AS and InvIT regulations.

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Management of IRB Infrastructure Private Limited ('Investment Manager'), is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at March 31, 2021, financial performance including other comprehensive income, movement of the unit holders' funds and cash flows for the year ended March 31, 2021, its net assets at fair value as at March 31, 2021, its total returns at fair value and the net distributable cash flows of the Fund for the year ended March 31, 2021, in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and / or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions InvIT Regulations for safeguarding of the assets of the Fund and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Investment Manager is also responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements

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

Report on Other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) The balance sheet, and statement of profit and loss including other comprehensive income dealt with by this report are in agreement with the books of account of the Fund; and
- c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) and / or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Reg. No. 121750W/W-100010

(Ramesh Gupta)

Partner

Membership No.:102306

UDIN: 21102306AAAABO8034

Place: Mumbai

Dated: May 15, 2021

Balance Sheet

as at March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I ASSETS			
(1) Non-current assets			
Financial assets	4		
i) Investments	4.1	226,936.48	226,936.48
ii) Loans	4.2	389,920.33	387,024.37
Total non-current assets		616,856.81	613,960.85
(2) Current assets			
Financial assets	5		
i) Investments	5.1	14,705.99	5,348.67
ii) Cash and cash equivalents	5.2	3,538.39	9,578.44
iii) Bank balance other than (ii) above	5.3	44.04	34.05
iv) Loans	5.4	35,177.64	56,262.63
v) Other financial assets	5.5	17,649.67	4,402.40
Current tax assets (net)	6	7.32	35.34
Other current assets	7	0.29	0.28
Total current assets		71,123.34	75,661.81
Total assets		687,980.15	689,622.66
II EQUITY AND LIABILITIES			
Equity			
Unit capital	8	531,157.60	542,767.60
Other equity	9	9,997.81	(1,787.04)
Total unit holder's equity		541,155.41	540,980.56
(1) Non-current liabilities			
Financial liabilities			
Borrowings	10	141,171.72	140,116.13
Total non-current liabilities		141,171.72	140,116.13
(2) Current liabilities			
Financial liabilities			
i) Trade payables	11.1		
a) total outstanding dues of micro enterprises and small enterprises		9.42	8.20
b) total outstanding dues of creditors other than micro enterprises and small enterprises		153.37	834.98
ii) Other financial liabilities	11.2	5,479.31	7,655.39
Other current liabilities	12	10.92	27.40
Total current liabilities		5,653.02	8,525.97
Total liabilities		146,824.74	148,642.10
Total equity and liabilities		687,980.15	689,622.66
Summary of significant accounting policies	3		

See accompanying notes to the financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration Number: 121750W/W-100010

Ramesh Gupta
Partner
Membership No.: 102306

Place: Mumbai
Date : May 15, 2021

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

Vinod Kumar Menon
CEO & Wholtime Director
DIN : 03075345

Rushabh Gandhi
Chief Financial Officer

Place : Mumbai
Date : May 15, 2021

Sunil Tandon
Director
DIN : 00874257

Swapna Vengurlekar
Company Secretary
Membership No: A32376

Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	13	57,562.76	59,426.29
Other income	14	338.99	628.16
TOTAL INCOME		57,901.75	60,054.45
Expenses			
Finance costs	15	11,692.39	12,544.91
Investment Manager fees		590.00	1,220.49
Annual listing fees		60.81	60.81
Trustee fees		29.50	29.50
Other expenses	16	75.20	93.64
TOTAL EXPENSES		12,447.90	13,949.35
Profit before tax		45,453.85	46,105.10
Tax expenses			
Current tax		-	-
Deferred tax		-	-
TOTAL TAX EXPENSES		-	-
Profit for the year (A)		45,453.85	46,105.10
Other comprehensive income / (loss) for the year (net of tax) (B)		-	-
Total comprehensive loss for the year, net of tax : (A+B)		45,453.85	46,105.10
Earnings per unit	17		
Basic		7.83	7.94
Diluted		7.83	7.94
Summary of significant accounting policies	3		

See accompanying notes to the financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
 Chartered Accountants
 Firm's Registration Number: 121750W/W-100010

Ramesh Gupta
 Partner
 Membership No.: 102306

Place: Mumbai
 Date : May 15, 2021

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

Vinod Kumar Menon
 CEO & Wholetime Director
 DIN : 03075345

Rushabh Gandhi
 Chief Financial Officer

Place : Mumbai
 Date : May 15, 2021

Sunil Tandon
 Director
 DIN : 00874257

Swapna Vengurlekar
 Company Secretary
 Membership No: A32376

Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities		
Profit before tax	45,453.85	46,105.10
Adjustments to reconcile profit before tax to net cash flows:		
Finance costs	11,692.39	12,544.91
Change in Fair value on investments	142.20	(295.75)
Profit on sale of investments	(452.44)	(282.08)
Interest income on		
- Fixed deposits	(26.64)	(50.33)
Transaction cost on loan given	26.53	23.51
Operating profit/(loss) before working capital changes	56,835.89	58,045.36
Movement in working capital:		
Decrease/(increase) in others financial assets	(13,171.07)	(4,402.40)
Decrease/(increase) in other assets	(0.01)	(0.28)
Increase/(decrease) in trade payables	(680.39)	520.25
Increase/(decrease) in other financial liabilities	10.00	2.96
Increase/(decrease) in other current liabilities	(16.48)	24.00
Cash generated from/(used in) operations	42,977.94	54,189.89
Direct taxes paid (net of refunds)	28.02	(5.80)
Net cash flows from/(used in) operating activities	43,005.96	54,184.09
B. Cash flows from investing activities		
Purchase of units of mutual fund	(50,300.98)	(84,001.59)
Proceeds on sales of units of mutual fund	41,253.91	1,01,934.71
Long term loan given to subsidiaries	(11,000.00)	(15,662.50)
Short term loan given to subsidiaries	(26,658.00)	(55,874.30)
Repayment of long term loan given to subsidiaries	33,393.89	33,717.08
Repayment of short loan given to subsidiaries	22,426.60	50,729.00
Bank deposits placed (having original maturity of more than three months)	-	5,000.00
Bank earmarked balance	(10.00)	(2.96)
Interest received on fixed deposit	26.64	58.01
Net cash flows from/(used in) investing activities	9,132.06	35,897.45
C. Cash flow from financing activities		
Other Equity		
Repayment of unit capital to the unit holders	(11,610.00)	(17,995.50)
Distribution to unit holders	(33,669.00)	(47,601.00)
Repayment of long term borrowings	(4,309.46)	(3,478.35)
Finance cost paid	(8,589.61)	(11,432.54)
Net cash flows from/(used in) financing activities	(58,178.07)	(80,507.39)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(6,040.05)	9,574.15
Cash and cash equivalents at the beginning of the year	9,578.44	4.29
Cash and cash equivalents at the end of the year (refer 5.2)	3,538.39	9,578.44
Summary of significant accounting policies (refer note no. 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.

Statement of Cash Flows

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Long term borrowings
1 - Apr - 2019	150,103.45
Cash flow	
- Interest	(11,432.54)
- Net of proceeds and repayment of long term borrowings	(3,478.35)
Accrual for the year	12,544.91
31 - Mar - 2020	147,737.47
Cash flow	
- Interest	(8,589.61)
- Net of proceeds and repayment of long term borrowings	(4,309.46)
Accrual for the year	11,692.39
31 - Mar - 2021	146,530.80

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 Suresh Surana & Associates LLP

Chartered Accountants

Firm's Registration Number: 121750W/W-100010

Ramesh Gupta

Partner

Membership No.: 102306

For and on behalf of IRB Infrastructure Private Limited

(Investment Manager of IRB InvIT Fund)

Vinod Kumar Menon

CEO & Wholetime Director

DIN : 03075345

Rushabh Gandhi

Chief Financial Officer

Sunil Tandon

Director

DIN : 00874257

Swapna Vengurlekar

Company Secretary

Membership No: A32376

Place: Mumbai

Date : May 15, 2021

Place : Mumbai

Date : May 15, 2021

Statement of Changes in Unit Holders Equity

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
a. Unit Capital		
At the beginning of the year	542,767.50	560,763.00
Issued during the year	-	-
Less: Capital reduction during the year (Refer Note 27)*	(11,610.00)	(17,995.50)
At the end of the year	531,157.50	542,767.50
Number of units		
At the beginning of the year	580,500,000	580,500,000
Issued during the year	-	-
At the end of the year	580,500,000	580,500,000

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
b. Initial Settlement Amount		
At the beginning of the year	0.10	0.10
Received during the year	-	-
At the end of the year	0.10	0.10

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
c. Other Equity		
At the beginning of the year	(1,787.04)	(291.14)
Profit / (loss) for the year	45,453.85	46,105.10
Interest distribution (Refer Note 27) *	(33,669.00)	(47,601.00)
At the end of the year	9,997.81	(1,787.04)

* Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2019-20 and does not include the distribution relating to the last quarter of FY 2020-21 which will be paid after March 31, 2021.

Summary of significant accounting policies (refer note no.3)

See accompanying notes to the financial statements.

As per our report of even date

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Registration Number: 121750W/W-100010

Ramesh Gupta

Partner

Membership No.: 102306

For and on behalf of IRB Infrastructure Private Limited

(Investment Manager of IRB InvIT Fund)

Vinod Kumar Menon

CEO & Wholtime Director

DIN : 03075345

Sunil Tandon

Director

DIN : 00874257

Rushabh Gandhi

Chief Financial Officer

Swapna Vengurlekar

Company Secretary

Membership No: A32376

Place: Mumbai

Date : May 15, 2021

Place : Mumbai

Date : May 15, 2021

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 Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Book value	Fair value	Book value	Fair value
A. Assets	687,980.15	754,911.34	689,622.66	657,419.80
B. Liabilities (at book value)	146,824.74	146,824.74	148,642.10	148,642.10
C. Net Assets (A-B)	541,155.42	608,086.60	540,980.56	508,777.70
D. Number of units (in Lakhs)	5,805.00	5,805.00	5,805.00	5,805.00
E. NAV (C/D) (Amount in ₹)	93.22	104.75	93.19	87.64*

B. Statement of Total Returns at Fair Value

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Comprehensive Income (As per the Statement of Profit and Loss)	45,453.85	46,105.10
Add/(less): Other Changes in Fair Value	66,931.19	(32,202.86)
Comprehensive Income -	112,385.04	13,902.24

Note:

Fair value of assets as at March 31, 2021 and other changes in fair value for the year then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under Regulation 21 of the InvIT Regulations.

* During the previous year, the fair value of investments in Project SPV's are computed on the basis of the fair value of the underlying Toll Collection Rights as at March 31, 2020 along with the book values of other assets and liabilities accounted in respective Project SPV's financial statements as at March 31, 2020. The independent valuer has considered the effect of COVID-19 till the end of concession period for the purpose of fair valuation. Further, the Trust has performed sensitivity analysis on the assumptions used and based on the current estimates expects the carrying amount of these assets as reflected in the balance sheet as at March 31, 2020 will be recovered. Management believes that impact of COVID 19 is temporary and its impact will not be there till the end of concession agreement. Considering the impact of Covid -19 being transient, the fair value of the asset would be ₹ 698,090 Lakhs which is higher than book value. Hence, no impairment in the value of investments is considered necessary in the financial results at this stage. The management will continue to monitor and assess impact of economic conditions arising due to COVID 19. The impact of COVID 19 may differ from that expected at the date of approval of these standalone financial statement.

As per our report of even date
For Suresh Surana & Associates LLP
 Chartered Accountants
 Firm's Registration Number: 121750W/W-100010

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

Ramesh Gupta
 Partner
 Membership No.: 102306

Vinod Kumar Menon
 CEO & Wholetime Director
 DIN : 03075345

Sunil Tandon
 Director
 DIN : 00874257

Rushabh Gandhi
 Chief Financial Officer

Swapna Vengurlekar
 Company Secretary
 Membership No: A32376

Place: Mumbai
 Date : May 15, 2021

Place : Mumbai
 Date : May 15, 2021

Statement of Net Distributable Cash Flows (NDCFs)

(₹ in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1	Cash flows received from Project SPVs in the form of Interest (Refer note 1)	44,391.68	59,426.29
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 (Refer note 2)	338.99	628.16
4	Cash flows received from the project SPVs towards the repayment of the debt issued to the Project SPVs by the Trust (Refer note 2)	22,393.89	18,054.58
5	Total cash inflow at the Trust level (A)	67,124.56	78,109.03
	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 (Refer note 3)	(9,355.06)	(13,949.35)
7	Income tax (if applicable) at the Standalone Trust Level	-	-
8	Repayment of external debt	(4,309.46)	(3,478.35)
9	Total cash outflows / retention at the Trust level (B)	(13,664.52)	(17,427.70)
10	Net Distributable Cash Flows (C) = (A+B)	53,460.04	60,681.33

Note:

- 1) Excludes interest due but not received of ₹ 13,171.08 Lakhs for the year ended March 31, 2021.
- 2) Netted – off with long-term unsecured loan given to project SPV's. (Refer note 22)
- 3) Excludes interest of ₹ 4,119.45 (Previous year ₹ Nil) which was not paid on account of moratorium availed as per RBI circular dated March 27, 2020 and May 22, 2020.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2021

1 Nature of Operations

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

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

Sr. No.	Project SPV Name
1	IRB Surat Dahisar Tollway Limited (ISDTL)
2	IRB Jaipur Deoli Tollway Limited (IJDTL)
3	IDAA Infrastructure Limited (IDAAIL)
4	IRB Pathankot Amritsar Toll Road Limited (IPATRL)
5	IRB Talegaon Amravati Tollway Limited (ITATL)
6	IRB Tumkur Chitradurga Tollway Limited (ITCTL)
7	M.V.R Infrastructure and Tollways Limited (MITL)

The registered office of the Investment Manager is IRB Complex, Chandivali Farm, Chandivali village, Andheri-East, Mumbai-400072.

The financial statements were authorised for issue in accordance with resolution passed by the board of directors of the Investment manager on May 15, 2021.

2. Basis of Preparation

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

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

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

3. Summary of Significant Accounting Policies

3.01 Use of Estimates

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

3.02 Current Versus Non-current Classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

All other liabilities are classified as non-current.

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

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

3.03 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value 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 Fund's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.04 Taxes

Current Income Tax

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

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

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

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

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

Goods and Service Tax Paid on Acquisition of Assets or on Incurring Expenses

Expenses and assets are recognised net of the amount of goods and service tax paid, except:

When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

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

3.05 Borrowing Costs

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

3.06 Provisions

Provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle

the obligation and a reliable estimate can be made of the amount of the obligation. When the Fund expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

3.07 Contingent Liabilities and Contingent Assets

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

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

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

3.08 Financial Instrument

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

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair 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

Notes to Standalone Financial Statements

for the year ended March 31, 2021

place (regular way trades) are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

Subsequent Measurement

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

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

Financial Assets at Amortised Cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Fund. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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

Financial Assets at Fair Value through Statement of Profit and Loss / Other Comprehensive Income

All investments in scope of Ind AS 109 are measured at fair value. The Fund has investment in Debt oriented mutual fund which are held for trading, are classified as at FVTPL. The Fund makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The gain / loss on sale of investments are recognised in the Statement of Profit and Loss.

Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

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

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

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

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

3.09 Impairment of Assets

Impairment of Financial Assets

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

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

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

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Impairment of Non-financial Assets

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

Financial Liabilities

Initial recognition and measurement

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

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

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

Subsequent Measurement

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

Financial liabilities at fair value through Profit or Loss

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

Gains or Losses on Liabilities held for Trading are Recognised in the Statement of Profit and Loss.

Loans and Borrowings

This is the category most relevant to the Fund. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit

or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

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

De-recognition

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

Offsetting of Financial Instruments

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

3.10 Investment in Subsidiaries

Investments (equity instruments as well as subordinate debt) in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

3.11 Foreign Currencies

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

Transactions and Balances

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

Notes to Standalone Financial Statements

for the year ended March 31, 2021

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

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

3.12 Fair value Measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Notes to Standalone Financial Statements

for the year ended March 31, 2021

- Disclosures for valuation methods, significant estimates and assumptions (note 30)
- Financial instruments (including those carried at amortised cost) (note 23 and 24)
- Quantitative disclosure of fair value measurement hierarchy (note 23 and 24)

3.13 Contributed Equity

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

3.14 Distribution to Unit Holders

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

3.15 Cash and Cash Equivalents

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

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

3.16 Earnings Per Unit (EPU)

Basic earnings per unit are calculated by dividing the net profit for the year attributable to unit holders by the weighted average number of units outstanding during the year.

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

3.17 New Pronouncements issued but not Effective

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Certain key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are extensive. The Fund will evaluate the same to give effect to them as required by law, wherever applicable.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 4 : Financial Assets (Non-current)		
4.1 Investments		
A) Investments at cost		
Investments in equity instruments of subsidiaries (unquoted)		
510,842,000 (March 31, 2020 - 510,842,000) equity shares of IRB Surat Dahisar Tollway Limited	53,232.48	53,232.48
131,750,000 (March 31, 2020 - 131,750,000) equity shares of IRB Jaipur Deoli Tollway Limited *	13,175.00	13,175.00
198,120,003 (March 31, 2020 - 198,120,003) equity shares of IDAA Infrastructure Limited	19,812.00	19,812.00
98,600,000 (March 31, 2020 - 98,600,000) equity shares of IRB Pathankot Amritsar Toll Road Limited **	9,909.00	9,909.00
49,250,000 (March 31, 2020 - 49,250,000) equity shares IRB Talegaon Amravati Tollway Limited	4,925.00	4,925.00
155,500,002 (March 31, 2020 - 155,500,002) equity shares IRB Tumkur Chitradurga Tollway Limited	15,550.00	15,550.00
6,910,170 (March 31, 2020 - 6,910,170) equity shares M.V.R. Infrastructure & Tollways Limited	10,902.00	10,902.00
Investment in equity instruments of related parties (unquoted)	127,505.48	127,505.48
B) Investments at cost		
Investments in sub debt of subsidiaries (unquoted)		
IRB Jaipur Deoli Tollway Limited	39,525.00	39,525.00
IRB Pathankot Amritsar Toll Road Limited	29,581.00	29,581.00
IRB Talegaon Amravati Tollway Limited	14,775.00	14,775.00
IRB Tumkur Chitradurga Tollway Limited	15,550.00	15,550.00
Subordinated debt to related parties (interest free)	99,431.00	99,431.00
Total non-current investments (A + B)	226,936.48	226,936.48
* 67,192,500 equity shares have been pledged with banks for availing term loan.		
** 50,286,000 equity shares have been pledged with banks for availing term loan.		
Aggregate book value of quoted investments	-	-
Aggregate amount of unquoted investments	226,936.48	226,936.48
4.2 Loans		
(Secured, considered good, unless otherwise stated)		
Loans to related parties (Refer note 22)		
- Interest bearing	330,347.81	348,049.38
Less: Current maturities of loan to related parties	(3,910.93)	(17,701.57)
Total - (A)	326,436.88	330,347.81
(Unsecured, considered good, unless otherwise stated)		
Loans to related parties (Refer note 22)		
- Interest bearing	78,320.19	83,012.52
Less: Current maturities of loan to related parties	(15,172.81)	(26,698.56)
Total - (B)	63,147.38	56,313.96
Add : Unamortised transaction cost (C)	336.07	362.60
Total (A+B+C)	389,920.33	387,024.37

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 5 : Financial Assets (current)		
5.1 Investments		
Investments at fair value through Profit & Loss		
Investments in mutual fund (quoted)		
Aditya Birla Sun Life Liquid Fund March 31, 2021 - 2,866,008.324 Units @ ₹ 331.5328 (March 31, 2020 - Nil)	9,501.76	-
SBI Magnum Low Duration Fund Direct Fund March 31, 2021 - 186,147.18 units @ ₹ 2,795.7642 (March 31, 2020 - 203,373.445 units @ ₹ 2,629.9735)	5,204.23	5,348.67
[(Mutual fund held for DSRA ₹ 5,204.23 Lakhs (March 31, 2020 : ₹ 5,348.67 Lakhs)]		
	14,705.99	5,348.67
Aggregate book value of quoted investments	14,705.99	5,348.67
Aggregate market value of quoted investments	14,705.99	5,348.67
5.2 Cash and Cash Equivalents		
Cash on hand	0.03	0.05
Balances with banks:		
- In current accounts	7.26	8.21
- In escrow account *	3,531.10	9,570.18
	3,538.39	9,578.44
* Escrow account as hypothecated against secured loan.		
5.3 Other Bank Balances		
Debt service reserve account with banks / earmarked balance		
Unpaid distribution accounts	44.04	34.05
	44.04	34.05
5.4 Loans		
(Secured, considered good, unless otherwise stated)		
Current maturities of long term loans to related parties	3,910.93	17,701.57
(Unsecured, considered good, unless otherwise stated)		
Loans to related parties	16,093.90	11,862.50
Current maturities of long term loan to related parties	15,172.81	26,698.56
	35,177.64	56,262.63
5.5 Other Financial Assets		
(Unsecured, considered good, unless otherwise stated)		
Interest receivable from related parties (Refer note 29)	17,573.47	4,402.40
Other receivable*	76.20	-
	17,649.67	4,402.40

* Receivable from lenders on account of compounded interest paid during the moratorium period.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 6 : Current Tax Assets (net)		
Advance income tax (net of provision for tax ₹ Nil (March 31, 2020: ₹ Nil))	7.32	35.34
	7.32	35.34

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 7 : Other Current Assets		
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	0.29	0.28
	0.29	0.28

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 8 : Equity		
I. Unit capital		
a. Issued, subscribed and fully paid up unit capital		
580,500,000 (March 31, 2020 - 580,500,000)	531,157.50	542,767.50
b. Initial settlement amount	0.10	0.10
At the end of the year	531,157.60	542,767.60

c. Terms / rights attached to units

Rights of unit holders

Subject to the provisions of the InvIT Regulations, the Indenture of Fund, and applicable rules, regulations and guidelines, the rights of the unit holders include:

- right to receive income or distributions with respect to the units held;
- right to attend the annual general meeting and other meetings of the unit holders of the Fund;
- right to vote upon any matters / resolutions proposed in relation to the Fund;
- right to receive periodic information having a bearing on the operations or performance of the Fund in accordance with the InvIT Regulations; and
- right to apply to the Fund to take up certain issues at meetings for unit holders approval.

In accordance with the InvIT Regulations, no unit holders shall enjoy superior voting or any other rights over any other unit holders, and there shall not be multiple classes of units. There shall be only one denomination of units. Notwithstanding the above, subordinate units may be issued only to the Sponsor and its Associates, where such subordinate units shall carry only inferior voting or any other rights compared to the other units.

Limitation to the Liability of the unit holders

The liability of each unit holders towards the payment of any amount (that may arise in relation to the Fund including any taxes, duties, fines, levies, liabilities, costs or expenses) shall be limited only to the extent of the capital contribution of such unit holders and after such capital contribution shall have been paid in full by the unit holders, the unit holders shall not be obligated to make any further payments. The unit holders(s) shall not have any personal liability or obligation with respect to the Fund.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

II. Reconciliation of the number of units outstanding and the amount of unit capital:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of units in Lakhs	Amount ₹ in Lakhs	No. of units in Lakhs	Amount ₹ in Lakhs
At the beginning of the year	5,805.00	542,767.50	5,805.00	560,763.00
Issued during the year	-	-	-	-
Less: Capital reduction during the year (Refer note 27)	-	11,610.00	-	17,995.50
At the end of the year	5,805.00	531,157.50	5,805.00	542,767.50

Details of unit holding more than 5% units :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of units in Lakhs	Amount ₹ in Lakhs	No. of units in Lakhs	Amount ₹ in Lakhs
IRB Infrastructure Developers Limited	927.05	15.97%	927.05	15.97%
Government Of Singapore	457.83	7.89%	479.50	8.26%
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Hybrid '95 Fund	371.00	6.40%	371.00	6.40%

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 9 : Other Equity		
Retained earnings		
At the beginning of the year	(1,787.04)	(291.14)
Profit / (loss) for the year	45,453.85	46,105.10
Interest distribution (Refer Note 27)	(33,669.00)	(47,601.00)
Total Other Equity (A+B)	9,997.81	(1,787.04)

Retained earnings

Retained earnings are the profits that the Fund has earned till date, less any transfers to general reserve, dividends or other distributions paid to unit holders.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 10 : Non-current Financial Liabilities		
Borrowings		
Secured		
Term loans		
Indian rupee loan from banks	147,630.45	147,820.46
Less: Current maturities	(5,425.00)	(6,584.46)
	142,205.45	141,236.00
Less : Unamortised transaction cost	1,033.73	1,119.87
	141,171.72	140,116.13

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Secured Term Loans

- i) Secured by first charge on escrow account and on receivable of fund arising out of principal and interest payment of the loans by Fund to subsidiaries.
- ii) Pledge of shares held of 51% of share holding in the total paid-up equity share capital of IRB Jaipur Deoli Tollway Limited and IRB Pathankot Amritsar Tollway Limited.
- iii) Interest rates on Indian rupee loan from State Bank of India is MCLR + 0.30% & IDFC First Bank is 8.15%. The Indian rupee loan from banks is repayable in unstructured quarterly instalment as per the repayment schedule specified in loan agreement with the Lenders.
- iv) There have been no breaches in the financial covenants with respect to borrowings.
- v) As per RBI Circular dated March 27, 2020 and May 22, 2020, the Fund has availed moratorium from Mar 2020 to August 2020.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 11 : Current Financial Liabilities		
11.1 Trade Payables		
a) total outstanding dues of micro enterprises and small enterprises	9.42	8.20
b) Total outstanding dues of creditors other than micro and small enterprises	153.37	834.98
	162.79	843.18
11.2 Other financial liabilities		
Current maturities of long-term borrowings		
- Indian rupee loan from banks	5,425.00	6,584.46
Interest accrued but not due on borrowings	10.27	1,036.88
Unpaid distribution	44.04	34.05
	5,479.31	7,655.39

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Note 12 : Other Current Liabilities		
Statutory dues payable	10.92	27.40
	10.92	27.40

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 13 : Revenue from Operations		
Operating income		
Interest income	57,562.76	59,426.29
	57,562.76	59,426.29

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 14 : Other Income		
Interest income on		
Interest income on bank deposits	26.64	50.33
Interest income on income tax refund	2.11	-
Profit on sale of investments	452.44	282.08
Change in fair value on investments	(142.20)	295.75
	338.99	628.16

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 15 : Finance Costs		
Interest expense		
- Term loan from banks	11,591.22	12,443.49
Other borrowing cost		
Other finance costs (Including Unamortise transaction costs)	101.17	101.42
	11,692.39	12,544.91

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 16 : Other Expenses		
Legal and professional fees	52.40	61.13
Payment to auditor (refer note below)	15.32	12.92
Miscellaneous expenses	7.48	19.59
	75.20	93.64
Payment to auditor (including GST)		
As auditors:		
- Statutory audit fees	8.50	7.08
- Limited review fees	4.25	3.54
- Tax audit fees	1.42	1.18
In other capacity:		
- Other services (certification fees)	0.53	0.53
Reimbursement of expenses	0.62	0.59
	15.32	12.92

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Note 17 : Earnings Per Unit (EPU)		
The following reflects the income and unit data used in the basic and diluted EPU computations:		
Profit attributable to unit holders of the Fund for basic & diluted earnings	45,453.85	46,105.10
Weighted average number of unit for basic & diluted EPU (in Lakhs)	5,805.00	5,805.00
Basic earning per unit (Amount in ₹)	7.83	7.94
Diluted earning per unit (Amount in ₹)	7.83	7.94

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Note 18 : Capital and other Commitments

There are no capital and other commitments as at March 31, 2021 (March 31, 2020 : ₹ NIL).

Note 19 : Contingent Liabilities

There are no contingent liabilities as at March 31, 2021 (March 31, 2020 : ₹ NIL).

Note 20 : Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

The following details regarding Micro and small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Fund.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the period end	9.42	8.20
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	-	-

Note 21 : Operating Segment

The Fund is engaged in to invest in infrastructure assets primarily being in the road sector in India which in the context of Ind AS 108 - Operating Segments is considered as the only segment. The Fund's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

Note 22 : Related Party Transaction

I. List of Related Parties

i. Subsidiaries / SPVs	IRB Surat Dahisar Tollway Limited (ISDTL)
	IRB Jaipur Deoli Tollway Limited (IJDTL)
	IDAA Infrastructure Limited (IDAAIL)
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)
	IRB Talegaon Amravati Tollway Limited (ITATL)
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)
	M.V.R. Infrastructure & Tollways Limited (MITL)
ii. Parties to the Fund *	IRB Infrastructure Developers Limited (IRBIDL) (Sponsor)
	IRB Infrastructure Private Limited (IRBFL) (Investment Manager)
	Modern Road Makers Private Limited (MRMPL) (Project Manager) (Up till May 15, 2019)
	IRB Infrastructure Developers Limited (IRBIDL) (Project Manager) (w.e.f. May 16, 2019)
	IDBI Trusteeship Services Limited (ITSL) (Trustee)

* As per InvIT regulations

Notes to Standalone Financial Statements

for the year ended March 31, 2021

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

Particulars	IRB Infrastructure Developers Limited (Sponsor & Project Manager)	IRB Infrastructure Private Limited (Investment Manager)	Modern Road Makers Private Limited (Project Manager)	IDBI Trusteeship Services Limited (Trustee of the IRB InvIT Fund)
Promoters	Mr. Virendra D. Mhaikar	IRB Infrastructure Developers Limited	IRB Infrastructure Developers Limited	IDBI Bank Limited
	Mrs. Deepali V. Mhaikar			Life Insurance Corporation of India
	Virendra D. Mhaikar HUF			General Insurance Corporation of India
Directors	Mr. Virendra D. Mhaikar	Mr. Vinod Kumar Menon	Mr. Mukeshlal Gupta	Mr. J.Samuel Joseph (w.e.f. 26.11.2019)
	Mrs. Deepali V. Mhaikar	Mr. Rajinder Pal Singh	Mr. Dhananjay K. Joshi	Mr. Ravishankar G. Shinde
	Mr. Mukeshlal Gupta	Mr. Sunil Tandon (w.e.f. 05.06.2020)	Mr. Rajpaul S. Sharma	Ms. Madhuri J. Kulkarni
	Mr. Sudhir Rao Hoshing	Mr. Bajarang Lal Gupta (till 24.05.2020)	Mr. Sandeep J. Shah (w.e.f. 25.02.2020)	Mr. Satyajit Tripathy (w.e.f. 15.02.2020)
	Mr. Chandrashekhar S. Kaptan	Mr. Sumit Banerjee (till 31.07.2020)	Mrs. Arati Taskar (w.e.f. 25.02.2020)	Ms. Padma Betai (w.e.f. 19.03.2020)
	Mr. Sunil H. Talati		Mr. Ajay P. Deshmukh (till 26.03.2021)	
	Mr. Sandeep J. Shah			
	Mrs. Heena Raja			

Related Party Outstanding Balances

(₹ in Lakhs)				
Sr. No.	Particulars	Relation	As on March 31, 2021	As on March 31, 2020
1	Equity Investment		127,505.48	127,505.48
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	53,232.48	53,232.48
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	13,175.00	13,175.00
	IDAA Infrastructure Limited (IDAIL)	Subsidiary	19,812.00	19,812.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	9,909.00	9,909.00
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	4,925.00	4,925.00
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	15,550.00	15,550.00
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	10,902.00	10,902.00
2	Subordinated debt		99,431.00	99,431.00
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	39,525.00	39,525.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	29,581.00	29,581.00
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	14,775.00	14,775.00
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	15,550.00	15,550.00
3	Secured loan receivable (Long term)		330,347.81	348,049.38
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	-	14,129.87
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	92,068.74	92,661.77
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	92,901.41	93,154.14
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	37,153.84	37,153.84
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	93,712.76	93,712.76
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	14,511.06	17,237.00

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As on March 31, 2021	As on March 31, 2020
4	Unsecured loan receivable (Long term)		78,320.19	83,012.52
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	11,006.23	11,006.23
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	14,907.71	12,907.71
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	4,166.58	19,858.91
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	15,490.04	15,490.04
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	8,905.47	8,905.47
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	7,338.07	7,338.07
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	16,506.09	7,506.09
5	Unsecured loan receivable (Short term)		16,093.90	11,862.50
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	12,365.00	-
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	265.20	265.20
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	3,463.70	11,597.30
6	Interest receivable		17,573.47	4,402.40
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	17,573.47	4,402.39
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	-	0.01
7	Trade payables		138.13	816.06
	IRB Infrastructure Private Limited (IRBFL)	Investment Manager	138.13	816.06

Related Party Transaction during the Period

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As on March 31, 2021	As on March 31, 2020
1	Repayment of secured loan (Long term)		17,701.57	27,808.63
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	14,129.87	19,457.52
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	593.04	-
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	-	6,402.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	252.73	196.57
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	2,725.93	1,752.54
2	Unsecured loan given (Long term)		11,000.00	15,662.50
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	2,000.00	9,800.00
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	9,000.00	5,862.50
3	Repayment of unsecured loan (Long term)		15,692.32	5,908.46
	IDAA Infrastructure Limited (IDAAIL)	Subsidiary	15,692.32	5,908.46
4	Unsecured loans given (Short term)		26,658.00	55,874.30
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	12,815.00	9,897.00
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	400.00	7,552.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	11,981.00	2,700.00
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	100.00	800.00
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	-	11,173.00
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	1,362.00	23,752.30

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As on March 31, 2021	As on March 31, 2020
5	Repayment of unsecured loan given (Short term)		22,426.60	50,729.00
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	450.00	9,897.00
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	400.00	7,552.00
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	11,981.00	2,700.00
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	100.00	800.00
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	-	13,850.00
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	9,495.60	15,930.00
6	Interest income		57,589.28	59,449.81
	IRB Surat Dahisar Tollway Limited (ISDTL)	Subsidiary	3,307.71	5,293.49
	IRB Jaipur Deoli Tollway Limited (IJDTL)	Subsidiary	13,986.94	12,697.06
	IDAA Infrastructure Limited (IDAIL)	Subsidiary	2,122.88	3,518.35
	IRB Pathankot Amritsar Toll Road Limited (IPATRL)	Subsidiary	14,618.94	14,225.96
	IRB Talegaon Amravati Tollway Limited (ITATL)	Subsidiary	5,989.17	6,015.80
	IRB Tumkur Chitradurga Tollway Limited (ITCTL)	Subsidiary	13,171.08	13,597.84
	M.V.R. Infrastructure & Tollways Limited (MITL)	Subsidiary	4,392.56	4,101.31
7	Investment Management fees (including indirect taxes)		590.00	1,220.49
	IRB Infrastructure Private Limited (IRBFL)	Investment Manager	590.00	1,220.49
8	Distribution in the form of interest		6,188.86	8,725.23
	IRB Infrastructure Developers Limited (IRBIDL)	Sponsor & Project Manager	5,376.89	7,601.81
	Mr. Virendra D. Mhaikar	Director of Sponsor & Project Manager	709.92	959.40
	Mrs. Deepali V. Mhaikar	Director of Sponsor & Project Manager	89.90	127.10
	Mr. Sudhir Rao Hoshing	Director of Sponsor & Project Manager	9.28	8.60
	Mr. Mukeshlal Gupta	Director of Sponsor & Project Manager	-	8.68
	Mr. Sunil Talati	Director of Sponsor & Project Manager	0.58	0.20
	Mr. Chandrashekhar Kaptan	Director of Sponsor & Project Manager	-	0.60
	Mr. Vinod Kumar Menon	Director of Investment Manager	1.74	2.46
	Mr. Bajarang Lal Gupta	Director of Investment Manager	-	0.41
	Mr. Sumit Banerjee	Director of Investment Manager	0.55	3.26
	Mr. Dhananjay K. Joshi	Director of Project Manager	-	1.23
	Mr. Ajay P. Deshmukh	Director of Project Manager	-	10.66
	Mr. Rajpaul S. Sharma	Director of Project Manager	-	0.82

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Sr. No.	Particulars	Relation	As on March 31, 2021	As on March 31, 2020
9	Distribution in form of capital		2,134.34	3,298.58
	IRB Infrastructure Developers Limited (IRBIDL)	Sponsor & Project Manager	1,854.10	2,873.86
	Mr. Virendra D. Mhaikar	Director of Sponsor & Project Manager	244.80	362.70
	Mrs. Deepali V. Mhaikar	Director of Sponsor & Project Manager	31.00	48.05
	Mr. Sudhir Rao Hoshing	Director of Sponsor & Project Manager	3.20	3.24
	Mr. Mukeshlal Gupta	Director of Sponsor & Project Manager	-	3.36
	Mr. Sunil Talati	Director of Sponsor & Project Manager	0.20	0.07
	Mr. Chandrashekhar Kaptan	Director of Sponsor & Project Manager	-	0.18
	Mr. Vinod Kumar Menon	Director of Investment Manager	0.60	0.93
	Mr. Bajarang Lal Gupta	Director of Investment Manager	-	0.16
	Mr. Sumit Banerjee	Director of Investment Manager	0.44	1.22
	Mr. Dhananjay K. Joshi	Director of Project Manager	-	0.47
	Mr. Ajay P. Deshmukh	Director of Project Manager	-	4.03
	Mr. Rajpaul S. Sharma	Director of Project Manager	-	0.31
10	Trustee fee		29.50	29.50
	IDBI Trusteeship Services Limited (ITSL)	Trustee	29.50	29.50

Note 23 : Fair Values

Financial assets and liabilities

The carrying values of financial instruments of the Fund are reasonable and approximations of fair values.

The accounting classification of each category of financial instruments, their carrying amounts and the categories of financial assets and liabilities measured at fair value, are set out below:

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets				
Loans	425,097.97	443,287.00	425,097.97	443,287.00
Other financial assets	17,649.67	4,402.40	17,649.67	4,402.40
Investments in mutual funds	14,705.99	5,348.67	14,705.99	5,348.67
Cash and cash equivalents	3,538.39	9,578.44	3,538.39	9,578.44
Other Bank balances	44.04	34.05	44.04	34.05

Notes to Standalone Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial liabilities				
Trade payables	162.79	843.18	162.79	843.18
Borrowings	146,596.72	146,700.59	146,596.72	146,700.59
Other financial liabilities	54.31	1,070.93	54.31	1,070.93

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 Company has determined that market participants would take into account when pricing the investments.

The Fund is required to present the Statement of total assets at fair value and Statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 as a part of these financial statements - Refer Statement of Net assets at fair value and Statement of Total Returns at fair value.

Note 24 : Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) price is active market for identical assets or liabilities

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021 :

(₹ in Lakhs)

Particulars	As at March 31, 2021	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds(Quoted)	14,705.99	14,705.99	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020 :

(₹ in Lakhs)

Particulars	As at March 31, 2020	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds(Quoted)	5,348.67	5,348.67	-	-

There has been no transfer between Level1, Level 2 & Level 3 during the year.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Note 25 : Financial Risk Management Objectives and Policies

The fund's risk management policies are established to identify and analyse the risks faced by the fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the fund's activities.

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

In performing its operating, investing and financing activities, the fund is exposed to the Credit risk, Liquidity risk and Market risk.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Fund is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at March 31, 2021, the credit risk is considered low since substantial transactions of the Fund are with its subsidiaries.

Interest Rate Risk

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

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Fund's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Increase in basis points		
- INR	50	50
Effect on profit before tax		
- INR	728.01	724.61
Decrease in basis points		
- INR	50	50
Effect on profit before tax		
- INR	(728.01)	(724.61)

b. Liquidity Risk

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

The Fund closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 to 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analyses financial liabilities by remaining contractual maturities:

(₹ in Lakhs)

March 31, 2021	On demand	Less than 3 months	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	-	4,127.93	12,261.28	61,493.58	171,620.10	249,502.89
Other financial liabilities	44.04	10.28	-	-	-	54.32
Trade payables	-	162.79	-	-	-	162.79
Total	44.04	4,301.00	12,261.28	61,493.58	171,620.10	249,720.00

(₹ in Lakhs)

March 31, 2020	On demand	Less than 3 months	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	-	5,519.30	12,876.24	64,456.93	176,525.73	259,378.20
Other financial liabilities	34.05	1,036.88	-	-	-	1,070.93
Trade payables	-	843.18	-	-	-	843.18
Total	34.05	7,399.36	12,876.24	64,456.93	176,525.73	261,292.31

At present, the fund does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

Note 26 : 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 Company 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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2021 and March 31, 2020.

The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings (Secured)	147,630.45	147,820.46
Trade and other payables	162.79	843.18
Other financial liabilities	54.31	1,070.93
Less: cash and cash equivalents	(3,538.39)	(9,578.44)
Net debt (A)	144,309.16	140,156.12
Unit capital	531,157.50	542,767.50
Initial settlement amount	0.10	0.10
Total equity (B)	531,157.60	542,767.60
Capital and net debt C = A + B	675,466.76	682,923.72
Gearing ratio (%) (C / A)	21.36%	20.52%

In order to achieve this overall objective, the fund's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Note 27 : Distribution made

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Distributed during the year as :		
Interest *	33,669.00	47,601.00
Return on capital*	11,610.00	17,995.50
	45,279.00	65,596.50

* Pertains to the distributions made during the financial year along with the distribution related to the last quarter of FY 2019-20 and does not include the distribution relating to the last quarter of FY 2020-21 which will be paid after March 31, 2021.

The distributions made by the Fund to its unit holders are based on the Net Distribution Cash Flow (NDCF) of Fund under the InvIT Regulations and hence part of the same includes repayment of capital as well.

Note 28 : Estimation of Uncertainties Relating to the Global Health Pandemic from COVID-19

The Trust has considered the possible effects that may result from the second wave of COVID-19 pandemic on the carrying amounts of its investments in SPVs including loans and other receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Trust, as at the date of approval of these financial results has used internal and external sources of information including reports from Independent Traffic Consultants and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Trust.

The Trust has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets as reflected in the balance sheet as at March 31, 2021 will be recovered. The impact of COVID-19 on the Trust's financial statements may differ from that estimated as at the date of approval of these Standalone financial statements.

Note 29

Due to dispute on the deferred premium calculation of previous years between the IRB Tumkur Chitradurga Tollway Limited ("Subsidiary Company or concessionaire") and the NHAI, the concessionaire has filed appeal with the Honorable High Court of Delhi for resolution against the NHAI's demand of advance premium of ₹ 16.98 crore in aggregate and interest on it. As per the Interim Order of the Division Bench of Honorable High Court, withdrawals from Escrow Account are not permitted till Final Order in the matter. Currently, the matter is under appeal with the Honorable High Court. Hence, the subsidiary company could not paid the interest on loans from December 2019 to March 31, 2021 amounting to ₹ 17,573.47 Lakhs to the Fund.

Note 30 : Significant accounting Judgement, Estimates and Assumptions

The preparation of the Fund's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in out comes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgement

In the process of applying the Fund's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Classification of Unit Holders Funds

Under the provisions of the InvIT Regulations, Fund is required to distribute to Unit holders not less than ninety percent of the net distributable cash flows of Fund for each financial year. Accordingly, a portion of the unit holders' Funds contains a contractual obligation of the Fund to pay to its Unit holders cash distributions. The Unit holder's Funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32-Financial Instruments: Presentation.

However, in accordance with SEBI Circulars(No.CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No.CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unit holders' Funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20-Oct-2016 dealing with the minimum disclosures for key financial statements. In line with the above, the income distribution payable to unit holders is recognized as liability when the same is approved by the Investment Manager.

Notes to Standalone Financial Statements

for the year ended March 31, 2021

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Fund. Such charges are reflected in the assumptions when they occur.

Fair Valuation and Disclosures

SEBI Circulars issued under the InvIT Regulations required disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Fund engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the road projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc. Changes in assumptions about these factors could affect the fair value. (refer note 23 for details).

Impairment of Investments and Loans in Subsidiaries

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments in subsidiaries are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from budgets / forecasts over the life of the projects.

Note 31 : Taxes

In accordance with section 10 (23FC) of the Income Tax Act, the income of business Fund in the form of interest received or receivable from Project SPV is exempt from tax. Accordingly, the Fund is not required to provide any current tax liability. Further, deferred tax assets on carry forward losses is not being created since there is no virtual certainty of reversal of the same in the near future.

Note 32 : Subsequent Events

The Board of Directors of the Investment Manager have approved 4th Distribution of ₹ 2.50 per unit which comprises of ₹ 1.70 per unit as interest and ₹ 0.80 per unit as return of capital in their meeting held on May 15, 2021.

Note 33 : Previous Year Comparatives

Previous year's figures have been regrouped / reclassified, wherever necessary to conform to the current year's presentation.

As per our report of even date

For Suresh Surana and associates LLP

Chartered Accountants

Firm's Registration Number: 121750W/W-100010

For and on behalf of IRB Infrastructure Private Limited

(Investment Manager of IRB InvIT Fund)

Ramesh Gupta

Partner

Membership No.: 102306

Vinod Kumar Menon

CEO & Wholtime Director

DIN : 03075345

Sunil Tandon

Director

DIN : 00874257

Rushabh Gandhi

Chief Financial Officer

Swapna Vengurlekar

Company Secretary

Membership No: A32376

Place: Mumbai

Date : May 15, 2021

Place : Mumbai

Date : May 15, 2021



Registered Office

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