IndInfravit Trust
1st Floor, TCTC Building, Mount Poonamallee Road,
Manapakkam, P.B. No. 979, Chennai - 600 089, India.
Tel : +91 44 22528749 / 8748

1st July 2019

To

Corporate Relations Department **Bombay Stock Exchange** Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	**Listing Department,** **National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

Dear Sir/Madam,

Ref: Scrip Code: 541300, Scrip Name: IndInfravit Trust

Sub: Resubmission of Annual Report of IndInfravit Trust for the Financial Year 2018-19

Due to some technical error, we could not submit the Annual Report of IndInfravit Trust for the Financial Year 2018-19.

Hence we are again enclosing herewith the Annual Report of IndInfravit Trust for the Financial Year 2018-19.

Please take the same on record.

Thanking You,

Yours Faithfully,
For **IndInfravit Trust**
By Order of the Board
LTIDPL IndvIT Services Limited
(as the Investment Manager to IndInfravit Trust)

Shreya R.

Shreya Ramkrishnan
Company Secretary and Compliance Officer

INDINFRAVIT TRUST
CHENNAI
600 089

INDINFRAVIT

Accelerating Growth
Driving Value

Annual report 2018-19

CONTENTS

Corporate Overview

INDINFRAVIT TRUST

Registered Office

PO Box.979, Mount Poonamallee Road,
TCTC Building, 1st Floor, Manapakkam,
Chennai - 600089, Tamil Nadu, India.

SEBI Reg No:IN/InvIT/17-18/0007

+9144 2252 8749

+9144 2252 8724

contact-us@indinfravit.com

www.indinfravit.com

Bankers/Lenders

ICICI Bank

Statutory Auditors

M/s. Sharp & Tannan

Compliance Officer

Ms. Shreya Ramkrishnan

Securities Information

BSE Ltd: 541300
NSE Ltd: INDINFR
ISIN: INE790Z23019

INVESTMENT MANAGER

LTIDPL IndvIT Services Limited

CIN:U45203TN1999PLC042518

Registered address & Office:

PO Box 979,
Mount Poonamallee Road,
Manapakkam, Chennai - 600 089
Tamil Nadu, India

+91 44 2252 6000/8000

+ 91 44 2252 8724

Board of Directors

- Independent Directors

Dr. Nasim Zaidi
Mr. N. Mohan Raj
Dr. Ashwin Mahalingam
Ms. Samyuktha Surendran
Ms. Monisha Macedo

- Non Executive Director

Mr. T. S. Venkatesan

- Investor Directors

Mr. Pushkar Kulkarni
Mr. Igor Lukin
Mr. Bruce Crane*

*(w.e.f April 17, 2019)

Key Managerial Team / Personnel

Mr. J. Subramanian
(Chief Executive)

Mr. Mathew George
(Chief Financial Officer)

Mr. Gaurav Chaturvedi
(Chief Investment Officer)

Mr. Paruchuri Sri Hari
(Manager)

Ms. Shreya Ramkrishnan
(Company Secretary)

Trustee of the Trust

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17,
R. Kamani Marg, Ballard Estate,
Mumbai- 400 001, Maharashtra, India

+91 22 4080 7000

+91 22 6631 1776

Contact Person: Rajesh Chandra

Registrar and Transfer Agent

Karvy Fintech Pvt. Ltd.

Karvy Selenium Tower B
Plot Nos. 31 & 32, Financial
District, Nanakramguda
Serilingampally Mandal,
Hyderabad – 500032, India

Valuer

Mr. Santosh N

Registered Valuer
Registration Number
IBBI/RV/05/2019/11458

Investment Manager's brief report of activities of the InvIT

IndInfravit Trust ("the Trust") was set up by L&T Infrastructure Development Projects Limited ("the Sponsor") on March 7, 2018, as an irrevocable trust under the provisions of the Indian Trusts Act, 1882.

The Trust was registered as an infrastructure investment trust under the SEBI (InvIT) Regulations on March 15, 2018 having registration number IN/InvIT/17-18/0007.

The Investment objectives of the Trust are to carry on the activities of, and to make investments, as an infrastructure investment trust, as permissible in terms of the applicable law.

The Trust's initial portfolio of assets comprises of five toll road projects in the Indian states of Rajasthan, Karnataka, Tamil Nadu and Telangana.

These toll roads are operated and maintained pursuant to the 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 9, 2018. For more details on toll road projects, please refer the section overview of asset portfolio.

Chief Executive's Message

Dear Unitholders,

On behalf of the Board of Directors of Investment Manager, it is my pleasure to present to you the performance and highlights of IndInfravit Trust ("the Trust"), as we complete our first financial year post listing. The Trust is the country's first privately placed Infrastructure Investment Trust, having its Units listed on both BSE and NSE as per the SEBI InvIT Regulations.

Our Sponsor - L&T Infrastructure Development Projects Limited (L&T IDPL), is a pioneer in the Public-Private-Partnership (PPP) space for the development of infrastructure projects in India and currently has a large portfolio of DBFOT operational projects.

During the previous year, our Trust acquired five income generating road projects from L&T IDPL having a total length of 2693 lane Kms and these are located in the states of Karnataka, Rajasthan, Tamil Nadu and Telangana.

The Trust's performance during this period was amongst others achieved by stringent and continual introspection on how things could be monitored and done better by the investment management Company. All our road projects performed well in the first year of operations despite the odds faced on account of all India truckers strike, ban on sand mining and major floods in the Southern parts of the country.

Our Trust, during its very first year, has been actively on the lookout for strategic acquisitions and has emerged as a serious and focussed contender in this space.

InvIT as an investment vehicle has, slowly but surely, gathered broader acceptance. Currently, there are two InvITs in the road sector and we expect a deeper understanding of the product by the market.

We recognise that Corporate Governance is not just legal compliance and as such have the balanced interests of Unitholders as our top most priority.

I acknowledge the contribution of the Board of Directors in providing their guidance and direction to the leadership team.

I would also like to thank our team for their dedication, perseverance and hard work. Above all, I am thankful to all our unitholders for the trust each one of you has placed in us.

Going forward, as we intensify our efforts to grow the Trust, I am confident that we will do so with your continued full support.

Best Regards

J. Subramanian
Chief Executive
LTIDPL IndvIT Services Limited
(Investment Manager of the Trust)

Chief Financial Officer's Message

Dear Unitholders,

I am delighted to present to you, the performance and highlights of IndInfravit Trust ("the Trust") which is India's first privately placed Infrastructure Investment Trust. The Trust owns, operates and maintains a portfolio of five toll roads assets in the Indian states of Tamil Nadu, Karnataka, Telangana and Rajasthan.

Having successfully completed our first year of operations, the Trust is now looking for strategic opportunities, taking into account the changes in the global and Indian economy. While the global economy expansion has weakened, we do believe that the Indian economy is poised for an expansion, fuelled by a robust private consumption led growth and benefits of continual reforms.

The Indian government's policies refocused on infrastructure development would definitely aid us to expand our investment opportunities. Our existing project portfolio continues to perform well and this combined with further investment opportunities could lead to IndInfravit Trust's exponential growth this coming year.

The board of Investment Manager is updated periodically about all the acts and proceedings as per the SEBI InvIT regulations. Key financial highlights of FY 2018 - 19 for the period commencing May 9, 2018 is as follows:

1.	Revenue from Operations	Rs. 80,114 Lakhs
2.	EBIDTA	RS. 55,344 Lakhs

Going forward, we would continue to deliver value to our investors by:

- Maintaining a strong balance sheet and adhering to the highest levels of corporate governance.
- Continually strive to increase the investment value through introspection and innovation.
- Driving profitable growth and positive cash flow by being a careful steward of capital over the long term.
- Optimizing operational effectiveness.
- Implementing a profitable growth strategy.

I thank the unitholders for their unstinted support and am confident that the Investment Manager would continue to work effectively to increase the value of your investments and drive towards profitable growth.

Best Regards

Mathew George

Chief Financial Officer
LTIDPL IndvIT Service Limited
(Investment Manager of the Trust)

Brief profile of the Directors of the Investment Manager

Dr. Nasim Zaidi

Dr. Nasim Zaidi is an Independent Director of the Company. He holds a Master's degree in Public Administration from Kennedy School of Government, Harvard University and has been a Mason Fellow for Public Policy at Harvard Institute for International Development. He also holds a Post Graduate Diploma in Business Finance from Indian Institute of Finance and holds doctorate in Bio-Chemistry. During his tenure, he has served as the Director General of Civil Aviation (2008 – 2010). He has served in the Ministry of Civil Aviation in the Government of India handling development of airport infrastructure, air navigation services, air space management and aviation security at federal policy making level. He was on the Boards of management of Helicopter Corporation of India, Hyderabad and Bengaluru airport, AAI and also as Chairman of Airport Authority of India. Dr. Zaidi served as the Election Commissioner of India from 2012 to 2015 and as Chief Election Commissioner of India from 2015 till 2017.

Mr. N. Mohan Raj

Mr. N. Mohan Raj is an Independent Director of the Company. He is a post graduate in Economics from Loyola College, Chennai and is a Life Insurance Professional. He joined LIC as a Direct Recruit officer and retired as one of its Executive Directors in November 2013. In his 36 years of service in LIC, he had exposure to Administration, Marketing, Audit & Inspection, Investment, Mutual Fund and Training. He was also LIC's Nominee Director on the Boards and Audit Committees of some of the big corporates in India operating in a variety of spheres like Automobile, Electrographite, Construction, manmade fibres etc.

Dr. Ashwin Mahalingam

Dr. Ashwin Mahalingam is an Independent Director of the Company. He holds a Master's degree in science in civil and environmental engineering (construction engineering and management) from the Leland Stanford Junior University and a Bachelor's degree in technology in civil engineering from the Indian Institute of Technology, Madras. He holds a doctorate in civil and environmental engineering from the Leland Stanford Junior University. He has experience in the fields of infrastructure project management, public private partnerships and construction management.

Ms. Samyuktha Surendran

Ms. Samyuktha Surendran is an Independent Director of the Company. She holds a Bachelor's degree in computer science from the University of Madras. She has obtained a Postgraduate Diploma in Management for executives from the Indian Institute of Management, Ahmedabad and has a Master's degree in computer applications from Anna University. She has experience in the fields of corporate strategy, risk analysis, sales and marketing.

Ms. Monisha Macedo

Ms. Monisha Macedo is an Independent Director of the Company and FCS from Institute of Company Secretaries of India. She also holds BA (Hons) Economics from St. Stephens College, Delhi University. She has been a whole-time director with senior executive responsibilities at Noida Toll Bridge Company, which pioneered India's first public-private partnership toll road. She is experienced in matters of Company Law and Board functioning. She is an Insolvency Professional with the Insolvency & Bankruptcy Board of India and has tied up with a multinational restructuring Company, to conduct insolvency resolutions for Companies under the Insolvency & Bankruptcy Code, 2016 (IBC).

Mr. T. S. Venkatesan

Mr. T. S. Venkatesan is a Non-Executive Director of the Company. He has a bachelor's degree in commerce from University of Madras. He is also a Cost and Works Accountant from Institute of Cost and Works Accountants of India. He has experience in mergers and acquisitions, finance, accounts and management information systems functions. He is currently the Whole Time Director of L&T Infrastructure Development Projects Limited ("the Sponsor").

Mr. Pushkar Kulkarni

Mr. Pushkar Kulkarni is a Principal in Canada Pension Plan Investment Board (CPPIB)'s Infrastructure Team in India. He has over 15 years of experience in the Indian Infrastructure sector. Prior to CPPIB, he was the Managing Director of Serco India and CEO of Efkon India (a Strabag group company). He has completed his MBA from Jamnalal Bajaj Institute of Management Studies and holds a Bachelor's degree in electronics engineering.

Mr. Igor Lukin

Mr. Igor Lukin is a Director at Allianz Capital Partners (ACP) in the direct investment/infrastructure team in Munich. He joined ACP in 2012 and has worked on several transactions in the infrastructure in energy and transport sectors. Prior to joining ACP, Igor worked at Oil & Gas financing and advisory team at UniCredit in Munich. Igor is a member of the audit committees of Autobahn Tank & Rast Gruppe GmbH & Co. KG in Germany and Net4Gas s.r.o. in Czech Republic. He holds a Master's degree in Business Administration and Computer Science from Technical University of Darmstadt and is a CFA Charterholder.

Mr. Bruce Crane

Mr. Bruce Crane is Managing Director of Omers. He is responsible for leading infrastructure-related efforts in Asia, and is based in Singapore. He was previously based in New York and was responsible for sourcing and leading investment opportunities in the transportation and power-related infrastructure markets in the Americas. His asset management experiences included Chicago Skyway, GNL Quintero S.A and Midland Cogeneration Venture. Prior to joining OMERS Infrastructure in 2012, Bruce spent 10 years with UBS and Morgan Stanley, providing investment banking advisory services, and four years with Foster Wheeler as a field engineer. Bruce holds a Bachelor of Applied Science in Civil Engineering from Lehigh University, and an MBA from Columbia University.

Management Discussion and Analysis

About INDINFRAVIT TRUST

INDINFRAVIT TRUST (the "Trust") is an irrevocable trust set up under the Indian Trusts Act, 1882 and registered with the Securities and Exchange Board of India as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.

The Trust currently owns, operates and maintains a portfolio of five toll-road assets in the Indian states of Tamil Nadu, Karnataka, Telangana and Rajasthan. These toll roads are operated and maintained pursuant to concessions granted by the NHAI.

The Sponsor of the Trust, L&T Infrastructure Development Projects Limited, are among the pioneers of the Public Private Partnership (PPP) model of development in the infrastructure sector in India. Since it's inception in 2001, the Company had completed landmark infrastructure projects across key sectors like Roads, Bridges, Transmission lines, Ports, Airports, Water Supply, Renewable Energy and Urban Infrastructure. Today they continue to be among the largest road developers in the country.

LTIDPL IndvIT Services Limited has been appointed as the Investment Manager and L&T Infrastructure Development Projects Limited continues to be the sole Project Manager to the INDINFRAVIT TRUST.

About Infrastructure Investment Trust in India

Considering the urgent need of Infrastructure developers to monetize their operational assets efficiently and churn the capital into under-construction assets, Securities and Exchange Board of India (SEBI) introduced the Infrastructure Investment Trusts (InvITs) regulations in 2014.

InvITs are managed by an independent trustee and investment managers, whose Board comprises of at least 50% independent directors.

SEBI requires InvITs to invest at least 80% of their assets in completed and revenue-generating projects, and not more than 10% in under-construction projects. This ensures that InvITs are not exposed to some of the key risks inherent in the infrastructure sector like availability of land, financial closure, regulatory approvals, and time and cost overruns. SEBI also requires privately placed InvITs to distribute a minimum of 90% of their cash earnings to investors at least once a year. While so, to encourage participation in InvITs, there have been some concessions accorded to InvIT, including waiver of dividend distribution tax on distribution of dividend to Unit holders.

An estimate by CRISIL had that India needs to spend about Rs 50 lakh crore ($778 billion) by 2022 for its infrastructure build-out. At this juncture, banks and non-bank lenders, already battling asset-liability mismatches and bad loans, cannot be further burdened to fund the entire infrastructure investment requirements. The government has played a monumental role in making InvITs and Real Estate Investment Trusts (REITs) a reality in India, a few more regulatory changes would go a long way in cementing the attractiveness of InvITs.

Global Economic Overview

According to IMF, World Economic Outlook, January 2019 update, the global expansion has weakened. The global economy is projected to grow at 3.5 percent in 2019 and 3.6 percent in 2020, partly because of the negative effects of tariff increases enacted in the United States and China earlier in the year 2018.

The global economy continues to expand, but third-quarter growth has disappointed in some economies. Idiosyncratic factors (new fuel emission standards in Germany, natural disasters in Japan) weighed on activity in large economies. But these developments occurred against a backdrop of weakening financial market sentiment, trade policy uncertainty, and concerns about China's outlook.

Specifically, growth in advanced economies is projected to slow from an estimated 2.3 percent in 2018 to 2.0 percent in 2019 and 1.7 percent in 2020. For the emerging market and developing economy group, growth is expected to tick down to 4.5 percent in 2019 (from 4.6 percent in 2018), before improving to 4.9 percent in 2020.

Indian Economy Overview

As per the Asian Development Bank, in just a few decades, India has risen to become the world's third-largest economy (in purchasing power parity terms) and now accounts for nearly 6% of global gross domestic product. Strong economic growth and economic reforms have helped the country reduce its incidence of poverty by more than half since 2004.

As per the International Monetary Fund ("IMF"), India has been one of the fastest growing large economies in the world with growth averaging about seven per cent over the past five years, attributing to the several key reforms carried out in the last five years.

As per The United Nations' World Economic Situation and Prospects ("WESP") 2019, India's economy is expected to grow at 7.4 per cent during 2018-19 and improve to 7.6 per cent in the next fiscal.

The report also expects India's gross domestic product ("GDP") to expand by 7.4 per cent in 2020-21. The reason for the same, as stated by the report, is the robust private consumption, a more expansionary fiscal stance and benefits from previous reforms.

Transportation Sector

The Government of India has provided a strong thrust to the Infrastructure sector and specifically to the Highway Sector, in the last Union Budget. The ambitious Bharatmala Programme has been approved for providing seamless connectivity to develop about 35000 kms in Phase-I at an estimated cost of Rs.5,35,000 crore.

A significant slice of these projects are expected to be bid out under the Hybrid Annuity Model (HAM), which would be of interest to the company. During the year 2018-19 NHAI build around 10000 kms which translates to 30 kms per day.

During the year ended March 31, 2019, INDINFRAVIT TRUST had acquired five projects from L&T Infrastructure Development Projects Limited for an equity consideration of Rs. 90,908 Lakhs on May 04, 2018.

The fact that there is a robust pipeline of projects, which are moving to the operational phase augurs well for Indinfravit Trust.

Overview of Asset Portfolio

Krishnagiri-Thopurghat
NH-44 Project

The 86km long four-lane divided road from Krishnagiri to Thumpipadi on NH-44 in Tamil Nadu connects the two major districts of the state – Krishnagiri and Dharmapuri.

Krishnagiri Thopur Toll Road Limited (KTTRL) is a matured road asset. This project involved the upgradation and widening of the existing 2-lane to 4-lane road from Krishnagiri (on BOT basis), which bypasses the en route towns like Dharmapuri, Kaveripattanam and Periyampatti on its way to Salem – Bangalore.

This INR 5.25 billion project SPV is a 100% shareholding venture of IndInfravit Trust, which commissioned the road for commercial operations ahead of the scheduled completion date, in February 2009.

As per the Concession Agreement signed with NHAI, the SPV will be responsible for toll collection, operations and maintenance of the road stretch till the end of the 20-year concession period.

KEY INFORMATION

52,500 Lakhs
Total project cost

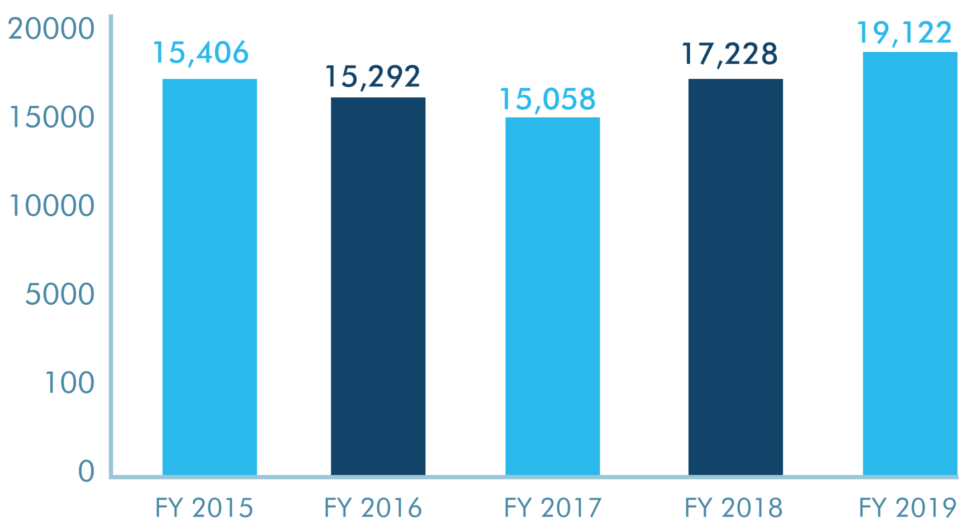
Feb - 09
Operation started on

20
years
Concession Term

14,938 Lakhs
Total income (in FY 2018-19)*

10,906 Lakhs
EBITDA (in 2018-19)*

GROSS TOLL REVENUE (LAKHS)



*These figures pertain to the period from May 04, 2018 - March 31, 2019

PROJECT FEATURES

86 kms
Length of the Project

42.496 kms
Service road

01
Major bridge

16
Minor bridges

05
Flyovers

02
Railway over bridges

111
Box Culverts

11
Pedestrian underpasses

06
Vehicular underpasses

04
Truck Lay Byes

01
Toll plaza

Krishnagiri - Walajahpet
NH-48 Project

Connecting the Gateway of Southern India, Chennai, to the Silicon Valley of India, Bangalore, Krishnagiri Walajahpet Tollway Limited (KWTL) stretches over 148.30 km on NH 48 in the state of Tamil Nadu.

KWTL, a matured road asset and 100% shareholding venture of IndInfravit Trust bagged the project for the development and the upgradation of this 4-lane stretch to a 6-lane modern highway with all facilities.

Falling between Krishnagiri and Walajahpet in Tamil Nadu, this INR 13.70 billion project is a part of the NHDP Phase-V programme & is considered to be one of the most prestigious projects in South India.

The project has two toll plazas – one at Vaniyambadi located at 46.8 km milestone and the second at Pallikonda at 98.500 km milestone. KWTL is responsible for toll collection, operations and maintenance of the road stretch for a concession period of 30 years.

KEY INFORMATION

1,37,000 Lakhs
Total project cost

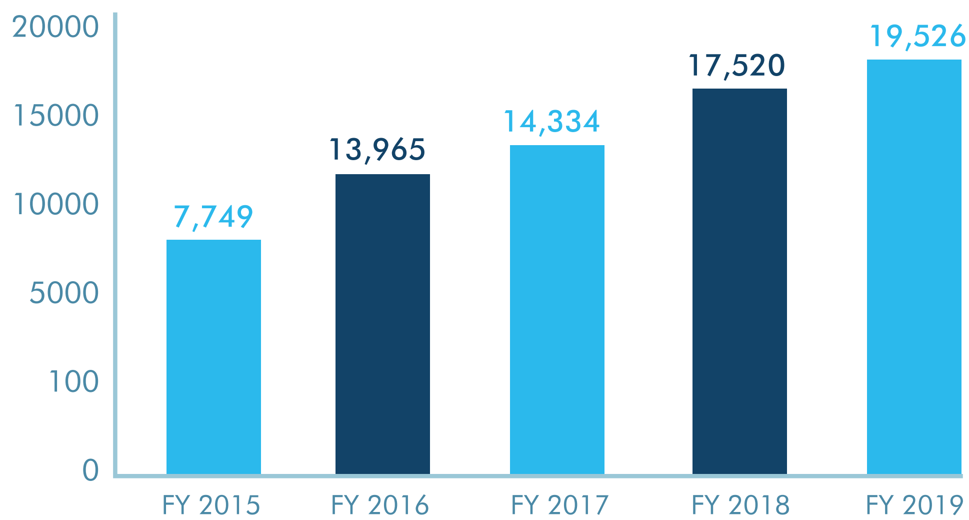
Jun - 11
Operation started on

30
years
Concession Term

15,410 Lakhs
Total income (in FY 2018-19)*

10,164 Lakhs
EBITDA (in 2018-19)*

GROSS TOLL REVENUE (LAKHS)



*These figures pertain to the period from May 04, 2018 - March 31, 2019

PROJECT FEATURES

148.300 kms
Length of the Project

69.450 kms
Service road

02
Major bridges

43
Minor bridges

04
Flyovers

06
Railway over bridge

183
Box Culverts

13
Pedestrian underpasses

31
Vehicular underpasses

127
Pipe Culverts

02
Toll plazas

03
Wayside amenities

Devihalli-Hassan
NH-75 Project

This NHAI project for four laning of the 77.228 kms stretch between Devihalli and Hassan in Karnataka on the NH 75, on DBFOT basis, has been executed by Devihalli Hassan Tollway Ltd (DHTL), which is owned by IndInfravit Trust.

Connecting the coastal city of Mangalore with the state capital Bangalore, which are two major cities of Karnataka state, this highway is an important link for the transport of goods from Mangalore Port to the city of Bangalore. The scope of this INR 4.94 billion project is inclusive of the construction of a 18.862 km by-pass and 2 state-of-the-art toll plazas for the benefit of the commuters.

The construction activity for this project was started in December 2010 and the project started commercial operations in November 2013. The concession period for the project is 30 years.

KEY INFORMATION

49,400 Lakhs
Total project cost

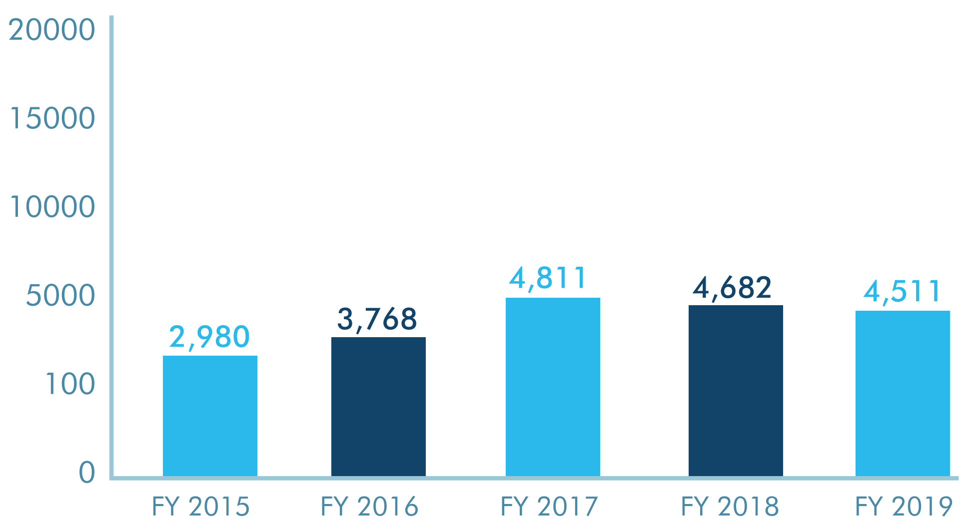
Nov - 13
Operation started on

30
years
Concession Term

4,192 Lakhs
Total income (in FY 2018-19)*

2,045 Lakhs
EBITDA (in 2018-19)*

GROSS TOLL REVENUE (LAKHS)



*These figures pertain to the period from May 04, 2018 - March 31, 2019

PROJECT FEATURES

77.228 kms
Length of the Project

5.100 kms
Service road

06
Truck Lay Bye

24
Minor bridges

03
Railway over bridge

14
Box Culverts

03
Vehicular underpasses

66
Pipe Culverts

02
Toll plazas

Jadcherla-Kothakota
NH-44 Project

The project for the four-laning of the road from Jadcherla to Kothakota section of NH-44 in Telangana on BOT basis, under the National Highways Development Programme of NHAI was executed by Western Andhra Tollways Limited (WATL) which is a matured road asset.

This 100% shareholding venture of IndInfravit Trust is a 55.740 km road stretch between Jadcherla and Kothakota & forms an important link in the Hyderabad-Bangalore corridor. The scope of this INR 3.73 billion project also included the construction of a bypass to Jadcherla Town and a Toll Plaza with state-of-the-art toll collection system for the benefit of the road users.

WATL successfully commissioned the project for commercial operations in March 2009 ahead of the scheduled completion date and is responsible for toll collections, operations and maintenance of the road stretch till the end of the 20 year concession period.

KEY INFORMATION

37,300 Lakhs
Total project cost

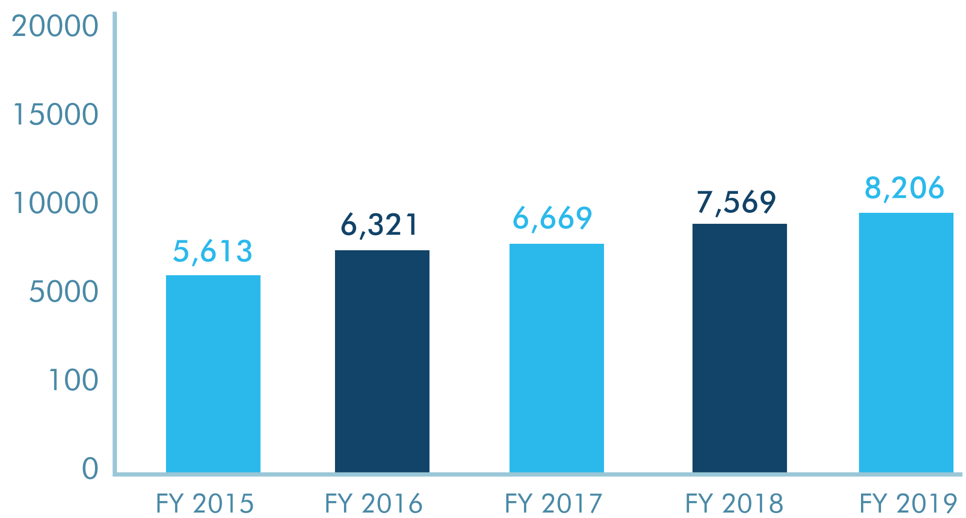
Mar - 09
Operation started on

20
years
Concession Term

7,957 Lakhs
Total income (in FY 2018-19)*

5,375 Lakhs
EBITDA (in 2018-19)*

GROSS TOLL REVENUE (LAKHS)



*These figures pertain to the period from May 04, 2018 - March 31, 2019

PROJECT FEATURES

55.740 kms
Length of the Project

16.603 kms
Service road

06
Major bridges

21
Minor bridges

02
Flyovers

01
Railway over bridge

78
Box Culverts

2
Pedestrian underpasses

6
Vehicular underpasses

51
Pipe Culverts

01
Toll plaza

01
Truck Lay Bye

Beawar-Pali-Pindwara
NH-25, NH-162 & NH-62 Project

Beawar Pali Pindwara road Project (244.12 km) located in the State of Rajasthan, which is part of the Kandla-Delhi high density freight corridor, is the first Mega Project proposed by National Highways Authority of India (NHAI) and till date is the only one which has seen construction completion.

The construction of this prestigious project was executed by L&T Construction on EPC basis with a commendable safety record of over 27 million safe man hours.

Beawar – Pali – Pindwara road in Rajasthan is the longest four lane road project developed under the Public Private Partnership (PPP) model in the National Highways sector.

KEY INFORMATION

2,47,200 Lakhs
Total project cost

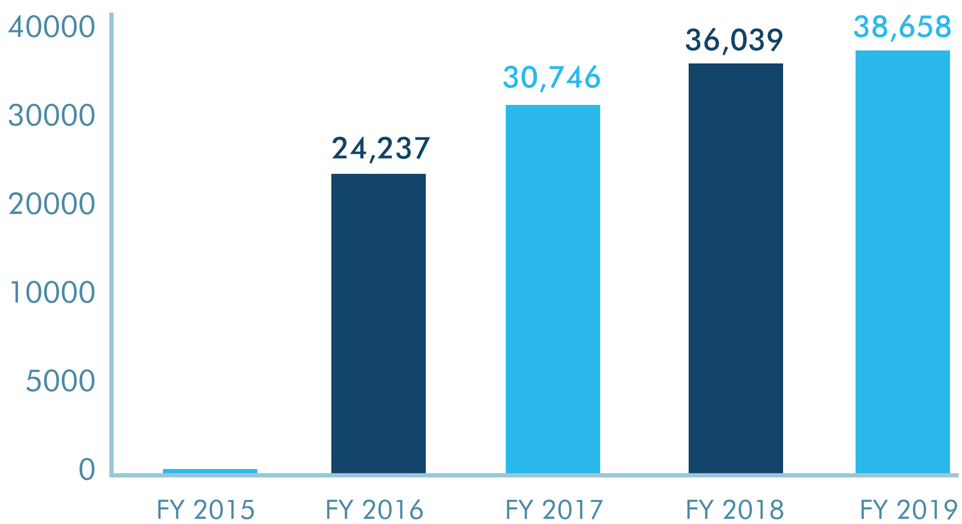
Jun - 15
Operation started on

23
years
Concession Term

37,617 Lakhs
Total income (in FY 2018-19)*

28,285 Lakhs
EBITDA (in 2018-19)*

GROSS TOLL REVENUE (LAKHS)



*These figures pertain to the period from May 04, 2018 - March 31, 2019

PROJECT FEATURES

244.120 kms
Length of the Project

56.69 kms
Service road

14
Major bridges

59
Minor bridges

06
Flyovers

02
Railway over bridge

336
Culverts

19
Pedestrian underpasses

14
Vehicular underpasses

42
Major Intersection

04
Toll plazas

04
Truck Lay Bye

Summary of the Valuation Report

Background and Scope

IndInfravit Trust ("Trust") is an Indian infrastructure investment trust sponsored by L&T Infrastructure Development Projects Limited ("L&T IDPL" or "Sponsor"). L&T IDPL is involved in the business of implementing the PPP model, among others, of developing infrastructure projects in association with the central and state governments and other agencies in India. The Sponsor established IndInfravit Trust on March 7, 2018 and IndInfravit Trust was registered with SEBI on March 15, 2018 as an InvIT pursuant to the InvIT Regulations. Units of IndInfravit Trust are listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

L&T IDPL has set up IndInfravit Trust, which has acquired 100.0% equity interest in each of the following Project Companies which together operate road assets aggregating to approximately 612 kms, located across four states in India.

The Project Companies operate and maintain the following Projects:

1. Beawar Pali Pindwara Tollway Limited ("BPPTL") – BPPTL operates a four-lane highway with an aggregate length of 244.12 kms, on the Beawar-Pali-Pindwara section on National Highway 25, 162 & 62 in Rajasthan;

2. Krishnagiri Thopur Toll Road Limited ("KTTL") – KTTL operates a four-lane highway with an aggregate length of 86 kms, between Krishnagiri and Thumpipadi on National Highway 44 in Tamil Nadu;

3. Western Andhra Tollways Limited ("WATL") – WATL operates a four-lane highway with an aggregate length of 55.74 kms, between Jadcherla and Kothakota by-pass on National Highway 44 in Telangana;

4. Krishnagiri Walajahphet Tollway Limited ("KWTL") – KWTL operates a six-lane highway with an aggregate length of 148.30 kms, between Krishnagiri and Walajahpet on National Highway 48 in Tamil Nadu; and

5. Devihalli Hassan Tollway Limited ("DHTL") - DHTL operates a four-lane highway with an aggregate length of 77.228 kms, between Devihalli and Hassan on National Highway 75 in Karnataka.

As per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (the "SEBI InvIT Regulations"), Trust requires to appoint a Valuer who should perform valuation of the InvIT assets once every financial year, as at the end of financial year i.e. as on 31st March of every year.

Considering the above requirement, Trust had appointed Mr. Santosh Nagalingaswamy ("Santosh" or "RV") (Registered Value registration number – IBBI/RV/05/2019/11458) to perform valuation of the Project Companies as of March 31, 2019 in accordance with the SEBI InvIT regulations for NAV reporting purposes.

The RV declares that:

- The RV is competent to undertake the valuation.
- The RV is independent and has prepared the report on a fair and unbiased basis.
- The RV has valued the Project Companies based on internationally accepted valuation standards.

Valuation Approach

In case of estimating the Enterprise Values of the Project Companies, the Discounted Cash Flow (DCF) method of the income approach was considered the most appropriate method for valuation.

The income approach explicitly recognizes that the current value of an investment is premised on the expected receipt of future economic benefits such as cost savings, periodic income or sale proceeds. An indication of value is developed by discounting expected future cash flows available to the providers of the invested capital at a rate that reflects both the current return requirements of the market and the risks inherent in the specific investment. Using an invested capital approach based on a normalized capital structure reflects the earning power of the enterprise without the impact of entity-specific funding decisions.

In the DCF method of the income approach, annual future cash flows are estimated then individually discounted to present value. The summation of the discounted cash flows during the project life provides an indication of the value of the amount a prudent investor would pay for the business.

In case of road projects, the life of the project is limited to the concession period, and since it is not a going concern, there will not be a terminal value.

The cash flow projections were provided by the Management.

After establishing the cash flows to be used, the DCF method typically involves:

- Estimating the free cash flow to the firm for the balance project life;
- Determining an appropriate discount rate to reflect the present day value of money and risk; and
- Discounting the free cash flows to arrive at their Net Present Value ("NPV").

Accordingly, for this analysis, the financial projections for the remaining life of each Project Company have been relied upon.

Summary of Values

The Fair Value of IndInfravit Trust has been estimated using a Sum of the Parts (SOTP) method. Enterprise Value of each Project Company has been estimated individually, post this, adjustments have been made for debt, working capital and other long-term assets/liabilities based on the consolidated unaudited financials of the Trust as of March 31, 2019.

Based on the methodology and assumptions discussed above, RV's estimates of the Enterprise Values of the Project Companies and Fair Value of the Trust as of the Valuation Date is as follows:

Particulars	Amount (INR crores)
Enterprise Value – BPPTL	1,562.0
Enterprise Value – KTTL	771.0
Enterprise Value – WATL	371.0
Enterprise Value – KWTL	1,563.0
Enterprise Value – DHTL	453.0
Total Enterprise Value	**4,720.0**
Less: Non-operating assets/liabilities	(642.7)
Less: Present value of IM & other fee payable by the Trust	(106.4)
Add / (Less): Other working capital related adjustments-Trust	31.2
Estimated Fair Value of IndInfravit	**4,002.1**

Details of changes during the year

- There have been no addition or divestment of assets during the year.
- The Estimated Fair Value of IndInfravit Trust (InvIT) as arrived at by the Independent Valuer stood at Rs.4002.10 Cr. Please refer Summary of valuation report.
- Details of Borrowings and repayments: Refer Financial Statements consol. and Standalone
- Credit rating: ICRA has assigned an issuer rating of [ICRA] AAA (pronounced ICRA triple A) on the long term scale to IndInfravit Trust. The outlook on the rating is 'Stable'.
- There have been no regulatory changes that has impacted or may impact cash flows of the underlying projects.
- There are no material contracts or any new risk performance of any contract pertaining to the InvIT.
- There have been no legal proceedings which may have significant bearing on the activities or revenues or cash flows of the InvIT.
- There have been no other material change during the year that would have a bearing on the cash flows of the InvIT.
- There have been no changes in the investment management agreement or any other agreement as on March 31, 2019 with respect to activities of InvIT.
- The Board of Directors of the Investment Manager, at its meeting held on July 30, 2018, and the Unitholders of the Trust, at their extraordinary general meeting held on October 26, 2018, had passed a resolution authorizing certain amendments to be made to the Trust Deed dated March 7, 2018. The proposed amendments to the Trust Deed pertain to (a) the inclusion of a provision that, subject to applicable law, if the Trust proposes to issue any further Units, the Unitholders shall be given a pre-emption right to subscribe to the Units being issued pursuant to such further offering in proportion to their Unitholding, (b) the inclusion of a provision that any amendment of the Right of First Offer and Future Assets Agreement shall require prior approval of the Unitholders, where votes cast in favour of the said amendment are more than the votes cast against it, and (c) the inclusion of a provision that the Distribution Policy, the UPSI Policy, the Code of Conduct, the Anti-Bribery and Corruption Policy and the Employment, Safety, Environment and Governance Policy ("Adopted Policies") shall not be amended, replaced or superseded in such a manner that provisions of the Adopted Policies, in letter or spirit, stand diluted or become redundant.

  In light of certain logistical and other difficulties that have been encountered, the proposed amendments to the Trust Deed are yet to be given effect. The aforesaid amendments to the Trust Deed will be carried out in due course, and the Investment Manager will ensure that appropriate disclosures/intimations in connection with the same will be made as per the requirements of the InvIT Regulations.

Details of the Investment Manager

LTIDPL INDVIT Services Limited is the Investment Manager for IndInfravit Trust. The Investment Manager was incorporated in India under the Companies Act, 1956, with corporate identity number U45203TN1999PLC042518. The Investment Manager was originally incorporated as L&T Western India Tollbridge Limited on May 20, 1999 at Chennai. Subsequently, the name of the Investment Manager was changed to LTIDPL INDVIT Services Limited and a fresh certificate of incorporation was issued on September 15, 2017. The Investment Manager's registered office is situated at Mount Poonamallee Road, Post Box Number 979, Manapakkam, Chennai 600 089 and its correspondence address is TCTC Building, First Floor, Mount Poonamallee Road, Manapakkam, Chennai 600 089.

The Investment Manager had been engaged in the infrastructure business since incorporation. The Investment Manager has experience in construction of two-lane bridge across river Watrak in Village Kheda, Gujarat under the build operate and transfer scheme with fee rights pursuant to a tri-partite concession agreement entered into by L&T with Government of India and Government of Gujarat on March 1, 1999.

LTIDPL INDVIT Services Limited is presently carrying on the business of acting as the Investment Manager to IndInfravit Trust.

Directors of Investment Manager

As on March 31, 2019, the following are the directors of LTIDPL IndvIT Services Limited:

1. Dr. Nasim Zaidi
2. Mr. N. Mohan Raj
3. Dr. Ashwin Mahalingam
4. Ms. Samyuktha Surendran
5. Ms. Monisha Macedo
6. Mr. T.S.Venkatesan
7. Mr. Pushkar Kulkarni
8. Mr. Igor Lukin

Mr. Pushkar Kulkarni, Mr. Vipul Chandra, Mr. C.S.Rajan, Ms. Monisha Macedo and Mr. N. Mohan Raj were appointed as additional directors with effect from June 28, 2018.

Mr. Igor Lukin was appointed on July 30, 2018 as an additional director.

Mr. C. S. Rajan resigned as Director of the Company with effect from January 16, 2019.
Mr. Vipul Chandra resigned as Director of the Company with effect from February 26, 2019.

Dr. Nasim Zaidi was appointed as Independent Director of the Company with effect from February 1, 2019.

Dr. Ashwin Mahalingam, Ms. Samyuktha Surendran, Dr. Nasim Zaidi, Ms. Monisha Macedo, and Mr. N. Mohan Raj are the independent directors of the Company.

Details of the Sponsor

L&T Infrastructure Development Projects Limited ("L&T IDPL") is the Sponsor of IndInfravit Trust. The Sponsor was incorporated in India under the Companies Act, 1956 with corporate identity number U65993TN2001PLC046691. The Sponsor was originally incorporated on February 26, 2001 at Chennai.

The Sponsor's registered office and corporate office is situated at Mount Poonamallee Road, Post Box Number 979, Manapakkam, Chennai 600 089.

For further details, please go to the website www.lntidpl.com.

The Sponsor is a subsidiary of Larsen & Toubro Limited, an Indian multinational company, engaged in technology, engineering, construction, manufacturing and financial services, with global operations.

The Sponsor has acquired concessions through a competitive bidding process, for the development of roads, bridges, ports, industrial water supply infrastructure and real estate. The Sponsor has a large project portfolio in the roads sector in India, which is operated through its special purpose vehicles. In addition to the roads infrastructure sector, the Sponsor has developed the Bangalore International Airport and the Hyderabad Metro Rail project. The existing portfolio of Sponsor's road projects includes a total of 10 projects as on March 31, 2019.

Directors of the Sponsor

The list of directors of L&T IDPL as on March 31, 2019 are:

1. Mr. R.Shankar Raman
2. Mr. Shailesh K. Pathak
3. Mr. T.S.Venkatesan
4. Mr. Sudhakar Rao
5. Mr. Vinayak Laxman Patankar
6. Mr. Vikram Swinder Gandhi
7. Ms. Vijayalakshmi Rajaram Iyer

Ms. Shubhalakshmi Aamod Panse resigned with effect from September 22, 2018 and Ms.Vijayalakshmi Rajaram Iyer was appointed with effect from February 27, 2019.

Details of the Trustee

IDBI Trusteeship Services Limited is the Trustee of IndInfravit Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee having registration number IND000000460 and such registration is valid until suspended or cancelled by SEBI.

The Trustee was incorporated in India under the Companies Act, 1956 with corporate identity number U65991MH2001GOI131154. The Trustee was originally incorporated on March 8, 2001 at Maharashtra. The Trustee's registered office and principal place of business is situated at Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001. The Trustee is jointly promoted by IDBI Bank Limited, Life Insurance Corporation and General Insurance Corporation for providing corporate and other trusteeship services.

The list of directors of IDBI Trusteeship Services Limited as on March 31, 2019 are:

1. Mr. G.M.Yadwadkar
2. Mr. Ravishankar G. Shinde
3. Ms. Madhuri J. Kulkarni
4. Ms. Sashikala Muralidharan
5. Mr. Swapan Kumar Bagchi

Unit Price Performance & Distributions

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

	BSE	NSE
▲	Rs.108.90	Rs.105.00
▼	Rs.99.15	Rs.100.00

Closing Price as on March 31, 2019 :Rs.108.90*

Closing Price as on March 31, 2019 :Rs.104.50*

Distributions made

The Investment Manager on behalf of IndInfravit Trust has made total distribution of Rs. 9.54/- per unit to the unitholders of the Trust for the financial year 2018-19. This distribution was paid as Rs. 5.94/- per Unit as Interest and Rs. 3.60/- per Unit as Return of Capital.

Unit price quoted on the exchange at the beginning and end of the financial year, the highest and lowest unit price and the average daily volume traded during the financial year.

At the beginning of the financial year
BSE : Rs. 100
NSE : Rs. 100

At the end of the financial year
BSE : Rs. 108.90
NSE : Rs. 104.50

The highest and lowest unit price

BSE
Highest : Rs. 108.90
Lowest : Rs. 99.15

NSE
Highest : Rs. 105.00
Lowest : Rs. 100.00

The last volume traded on BSE is 2 lakhs and the last volume traded on NSE is 82800000.

Top 4 unitholders of IndInfravit Trust as on 31st March, 2019	Percentage
CPP Investment Board Private Holdings (3) INC (CPP-PHI-3)	30.27%
AGF Benelux S.A R.L.	25.00%
OMERS Infrastructure Asia Holdings PTE. LTD.	22.38%
L&T Infrastructure Development Projects Limited	15.00%

**(The closing price as on last traded date is the closing price as on March 31, 2019.)*

Material Litigations

The details pertaining to the material litigations and regulatory actions against the trust, Project SPV's owned by the Trust, Sponsor, Investment Manager, Project Manager, or any of their associates and the Trustee, if any, were disclosed under Section "Material Litigation and Regulatory Action" in the Final Offer Document filed with the SEBI and Stock Exchanges. The summary of the material litigations and regulatory actions with material updates, if any, as on March 31, 2019 are mentioned herein below:

Further, it would be pertinent to note that the Investment Manager has relied upon confirmations from the Sponsor, the Trustee for relevant update on the information pertaining to material litigation & regulatory action in relation to the Sponsor, its Associates and the Trustee.

I. Litigation involving the Sponsor and Project Manager

The Sponsor (the "Plaintiff") has filed a case against Gujarat Maritime Board (the "Defendant") before the Commercial Court, Ahmedabad (the "Court") in relation to invocation of a bank guarantee issued by the Plaintiff for the development of a port at Kachhigarh. The Defendant had issued a letter of intent ("LOI") in favour of the Plaintiff for the development of the said port. Due to extensive presence of large corals, the LOI was cancelled by the Defendant. The Plaintiff sought the contract performance guarantee to be refunded. The Defendant invoked and encashed the performance bank guarantee. In relation to the same, the Plaintiff filed a commercial suit and prayed before the Court for a compensation of Rs 512 Cr. The Defendant filed a counter-claim for Rs 219 Cr. The matter is currently pending.

II. Litigation involving the Associates of the Sponsor and Project Manager, including the common associates of the Sponsor and the Investment Manage

A. *Larsen and Toubro Limited ("L&T")*

Criminal matters

(i) CBI had registered a criminal case against the officials of L&T, Oriental Insurance Company Limited and a Surveyor empaneled at Oriental Insurance Company Limited in relation to alleged conspiracy and bogus insurance claims filed by L&T before Oriental Insurance for the collapse of certain columns erected in NTPC Simhadri coal handling plant job. The trial court in Chennai rendered the judgment on March 23, 2018 and found no criminal conspiracy against L&T and thus directing L&T to pay the insurance company the sum of Rs 0.05 Cr as compensation. The Court also convicted some of the accused persons. L&T filed three separate appeals before the Madras High Court against the judgment of the Special Court. The matter is currently pending.

(ii) CBI filed an FIR against L&T and certain officials of Bharat Coking Coal Limited and others in relation to alleged criminal conspiracy, cheating and criminal misconduct with regard to award of contract to L&T for supply of 100 units of Tippers with Maintenance and Repair Contract for six years. The matter is currently pending.

(iii) The State of Jammu filed an FIR against the officials of National Hydroelectric Power Corporation ("NHPC") and officials of L&T (collectively the "Accused"), before the CBI under Sections 120B and 420, 420A of the Ranbir Penal Code of Jammu and Kashmir, 1932 and Section 5 of Jammu and Kashmir Prevention of Corruption Act, 2006, alleging criminal conspiracy and forgery of documents by the Accused. NHPC had awarded two contracts (the "NHPC Contract") to L&T to execute the work of rural electrification in Udhampur and Kathua district in Jammu. A complaint was filed by a whistle blower within NHPC alleging irregularities by the officials of NHPC in execution of the NHPC Contract. Pursuant to the same, the Central Bureau of Investigation filed charge sheet alleging that the officials of L&T had furnished forged undertakings and also placed purchase orders on various firms without the prior approval of NHPC, causing loss to the exchequer as the materials were not supplied directly from the manufacturer. The matter is currently pending.

(iv) State of Odisha through the Assistant Director of Factories and Boilers, Rourkela Zone-III, Rourkela filed a criminal case against L&T, S. N. Subrahmanyan (then Occupier) and Sandip Choudhuri (then Manager) before the Judicial Magistrate of First Class, Rajgangpur in relation to minor injury sustained by one Anil Baxla while working in Fabrication shop. The matter is currently pending.

(v) A criminal complaint was filed by M/s. M. M. Mittal Contractors Pvt. Ltd., a sub-contractor, alleging offences of cheating, forgery against the Officials of L&T Company in respect of work done at PERTO Factory-Jaipur for M/s. Perto India Pvt. Ltd. L&T filed a S.B. Criminal Miscellaneous (Petition) before the Rajasthan High Court, Jaipur Bench against the above complaint. Meanwhile, the investigation on FIR No. 0716/2017 registered at P. S. Vaishali Nagar, Jaipur (West) remains stayed until May 21, 2018. Interim order continues. The matter is currently pending.

(vi) Two criminal complaints (the "Complaints") against L&T and others have been filed by the Inspector, under the BOCW Act, before the Karkardooma Court, Delhi in relation to alleged non-compliance of certain provisions of the BOCW Act pertaining to the green project site of DLF Limited. Subsequently, L&T filed petitions (the "Petitions") under Section 482 of the Code of Criminal Procedure, 1973 before the Delhi High Court seeking quashing of the Complaints. The Delhi High Court disposed of one of the Petitions and dispensed with appearance of the directors of L&T. Quash petitions filed in the High Court against the criminal complaint has been allowed in respect of all save and except for two petitioners. The matters are currently pending.

(vii) S. K. Poddar filed a criminal complaint against L&T before the Chief Metropolitan Magistrate, Kolkata under Section 420 of the IPC alleging non-payment of brokerage relating to lease provided to British Airways. The matter is currently pending.

(viii) The Labour Enforcement Officer filed a complaint against L&T before the Metropolitan Magistrate Court, Patiala in relation to alleged violation of certain provisions of Contract Labour Act at various construction sites. The matter is currently pending.

(ix) L&T has filed an appeal against the order passed by the Directorate General of Inspection before the Secretary, Labour Department, Government of India imposing penalty for contravention of certain provisions under the BOCW Act with respect to Jharkhand road project. The amount involved in the matter is Rs 1 Lakh. The matter is currently pending.

(x) Govind Gaekwad (the "Complainant") has filed an FIR against L&T before the Manwath police station Manwath, Parbhani District, Maharashtra, in relation to alleged fatal accident of the brother of the Complainant at one of the construction sites of L&T under Sections 304A, 279 and 34 of the IPC. Subsequently, an anticipatory bail had been granted to the staff members against whom the FIR was filed by the Complainant. The matter is currently pending.

(xi) The Municipal Corporation of Greater Mumbai (the "Complainant") has filed two criminal complaints against an official of L&T, L&T-SCOMI Consortium and others (collectively, the "Accused") before the Metropolitan Magistrate Court, Mumbai, under Sections 478, 478-1A and 478-1B of the Mumbai Municipal Corporation Act, 1888 in relation to alleged evasion of payment of octroi duty (Rs 0.07 Cr) and fabrication of receipts of octroi duty by the Accused (Rs 1.14 Cr). The Mumbai Metropolitan Region Development Authority had entered into a contract with L&T-SCOMI Consortium for the purpose of construction of the monorail project and octroi duty was payable on goods imported for the purpose of the project. These matters are currently pending.

(xii) The State represented by Labour Enforcement Officer, Panda and Vasco, Goa ("Complainant") has filed a complaint against L&T represented by Shri. Arvind Nerukar, PM, L&T, Goa, alleging that L&T has commenced its contract works viz., design and construction of bridge across river Mandovi at Panaji from March 18, 2014 by engaging about 395 contract workmen without obtaining the License and violating Section 8(1)(b) of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and non-maintenance of Register of Migrant Workmen in Form XIII, Breach of Rule 49 of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Central Rules, 1980, before the Hon'ble Judicial Magistrate First Class, Panaji, Goa. During the proceedings, the Labour Enforcement Officer filed an amendment application seeking addition of S.N.Subrahmanyan as a party to the captioned matter. Since the Hon'ble High Court has stayed the proceedings, the Ld. JMFC placed the amendment application in the file but did not take the same on record. The matter is currently pending.

(xiii) M/s. Sandhya Engineering, a sub-contractor in Techno park project filed a criminal complaint against L&T in the Judicial Magistrate Paravur, Kollam, alleging cheating and criminal breach of trust relating to his sub-contract payments and under the Orders of the Court, police conducted investigation and filed final report. A petition for quashing was filed before the High Court and a stay of proceedings was secured. This quash petition was disposed off, directing to file a discharge petition before the Lower Court. The matter is currently pending.

(xiv) The Regional Officer, of Gujarat Pollution Control Board (the "GPCB") filed a criminal complaint on behalf of GPCB, against L&T and its senior officers of L&T, before the Chief Judicial Magistrate First Class, Surat under Section 15 read with Section 16 of the Environment (Protection) Act, 1986 alleging that the construction of flats and buildings was commenced without obtaining an environment clearance as required under the notification issued by the Ministry of Environment and Forests. The matter is currently pending.

(xv) A Criminal Complaint numbered 359/18 has been filed against L&T Ltd. and Mr. S.C. Bhargava, before the Presiding Officer & Judicial Magistrate First Class, Labour Court, Surat, for the alleged breach of provisions under Inter State Migrant Workmen (Regulation of Employment and condition of Service) Act 1979 and the Interstate Migrant Workmen (Regulation of Employment and condition of Service) Central Rule, 1980. The matter is currently pending.

Regulatory matters

(i) L&T has filed a writ petition against the demand made by the Sub-Registrar, Kodambakkam, Chennai (the "Sub-Registrar") before the Madras High Court relating to alleged deficiency of Rs 4.49 Cr in the payment of stamp duty on a consortium agreement. L&T had entered into a consortium agreement with Alstom to form a consortium namely L&T Alstom and paid a stamp duty of Rs 160 Cr for execution of the consortium agreement. The Sub-Registrar issued a show cause notice to L&T demanding payment of the aforesaid stamp duty. The amount involved in the matter is Rs 4.49 Cr. The Madras High Court has granted stay against the demand of the Sub-Registrar and the matter is currently pending.

(ii) L&T has filed a writ petition against the demand made by the Collector and District Registrar, Hyderabad (the "Registrar") before High Court of Hyderabad for the State of Telangana and the State of Andhra Pradesh (the "Hyderabad High Court") relating to alleged deficiency of Rs 619.75 Cr in the payment of stamp duty paid on the engineering, procurement and construction agreement. L&T entered into engineering, procurement and construction agreement with L&T MRHL and paid a stamp duty of ₹ 100 on the same. The Registrar issued a show cause notice (the "Notice") to L&T and L&T MRHL demanding payment of deficit stamp duty amounting to Rs 619.75 Cr. The Hyderabad High Court has suspended the Notice by way of an interim order. The amount involved in the matter is Rs 619.75 Cr. The matter is currently pending.

(iii) L&T has filed a writ petition before the Gujarat High Court against the order (the "Order") passed by the Collector and Additional Superintendent of Stamps, Gandhinagar (the "Collector") for a demand of stamp duty aggregating to Rs 3.35 Cr against L&T. L&T had applied for de-notification from SEZ of certain units situated at Vadodara and accordingly was required to obtain no objection certificates ("NOCs") from various authorities including the stamp duty department (the "Department") of Gandhinagar. Accordingly, L&T had filed an application with the Department for obtaining an NOC. However, the Collector, through the Order raised the aforesaid demand. The amount involved in the matter is Rs 3.35 Cr. The writ petition was disposed of by the Gujarat High Court and L&T has been directed to file an appeal before the Chief Controlling Revenue Authority ("CCRA"). The CCRA has been directed by the Gujarat High Court to issue the NOC, during the pendency of the appeal, subject to L&T depositing a percentage of stamp duty amount and furnishing a corporate guarantee. L&T filed a revision application before the CCRA pursuant to the Gujarat High Court order. CCRA rejected the revision application and ordered payment of stamp duty along with a penalty. L&T filed a writ petition before the Gujarat High Court for, inter alia setting aside the orders passed by the Collector and CCRA, stay on recovery of penalty and refund of amount deposited with Industries commissioner and CCRA. The Gujarat High Court has admitted the matter. The matter is currently pending.

(iv) L&T has filed a writ petition against the demand (the "Demand") made by the Tahasildar, Ernakulam before the Kerala High Court relating to alleged damage to cables caused while laying down pipe lines by L&T. The Kerala High Court has granted a stay order on the Demand. The amount involved in the matter is Rs 0.20 Cr. The matter is currently pending.

(v) L&T has filed a writ petition against the levy of property tax by the Municipal Corporation of Greater Mumbai before the Bombay High Court. The Mumbai Metropolitan Region Development Authority (the "MMRDA") had let out a land to the consortium named

named L&T-SCOMI Consortium for the purpose of fabrication for the monorail project by L&T-SCOMI. The Municipal Corporation of Greater Mumbai issued a notice to L&T demanding an amount of Rs 38 Cr (the "Demand"). The Bombay High Court granted a stay order in favour of L&T for recovery of the Demand. Subsequent to the Bombay High Court not allowing the petition, L&T approached the Supreme Court of India in a special leave petition and the Supreme Court has been pleased to stay the action, if any, were to be taken by the MMRDA subsequent to the disposal of the writ petition. The Bombay High Court has subsequently admitted the writ petition. The matter is currently pending.

(vi) L&T has filed a writ petition against the recovery of amounts by the Panchayati Raj and Rural Development, Andhra Pradesh (the "Authority") before the Hyderabad High Court with respect to the recovery proceedings initiated by the Authority for recovery of alleged excess payment on price variation clause pertaining to the water supply projects at Anantapur, on the basis of a vigilance report. The Hyderabad High Court has granted an interim stay on the recovery proceedings. The amount involved in the matter is Rs 83.78 Cr. The matter is currently pending.

(vii) L&T has filed a writ petition before the Bombay High Court against the action taken by the Municipal Corporation of Greater Mumbai of preventing L&T's trucks from entering the municipal limits of Mumbai. L&T had entered into an agreement with Systems Application and Products in Data Processing Private Limited ("SAP India") for obtaining license to use proprietary software (the "Software") of SAP India. The Municipal Corporation of Greater Mumbai had required L&T to furnish certain documents for the purposes of investigating the use of the Software in Mumbai. Subsequently, the Municipal Corporation of Greater Mumbai demanded an octroi of Rs 0.24 Cr from L&T. L&T raised objection to the same and paid an amount of Rs 0.05 Cr under protest. Due to non-payment of the entire octroi amount, the Municipal Corporation of Greater Mumbai had prevented L&T's trucks containing ready-mix cement from entering the municipal limits of Mumbai. Due to the short life of ready-mix cement, the consignment of cement had to be returned. The amount involved in the matter is Rs 0.24 .Cr. The writ petition has been admitted by the Bombay High Court. The matter is currently pending.

(viii) The Municipal Corporation of Greater Mumbai has filed an appeal against the order passed by the Small Causes Court, Mumbai before the Bombay High Court against the ratable value fixed by the Municipal Corporation of Greater Mumbai. The Municipal Corporation of Greater Mumbai had issued notices to L&T under the Mumbai Municipal Corporation Act, 1888 for fixation of the ratable value of amenity with respect to a parcel of land held by L&T. The Small Causes Court passed an order in favour of L&T, against which the Municipal Corporation of Greater Mumbai filed the aforesaid appeal. The amount involved in the matter is Rs 0.11 Cr. The first appeal has been admitted and no interim relief has been granted in favour of Municipal Corporation of Greater Mumbai. The matter is currently pending.

(ix) The Municipal Corporation of Greater Mumbai has filed an appeal against the order passed by the Small Causes Court, Mumbai before the Bombay High Court in relation to assessment of property tax in favour of L&T. The first appeal has been admitted by the Bombay High Court and will come up for final hearing in due course but interim reliefs have been granted in favour of Bombay Municipal Corporation. The amount involved in the matter is Rs 3.66 Cr. The first appeal has been admitted and no interim relief has been granted in favour of Municipal Corporation of Greater Mumbai. The matter is currently pending.

(x) L&T has filed a writ petition against the demand by the Tahasildar, Rajgangpur (the "Tahasildar") before the Orissa High Court relating to industrial water tax to be paid by L&T. The Tahasildar issued notices to L&T demanding payment of industrial water tax (the "Demand") under the Orissa Irrigation (Amendment) Act, 1993 for lifting of water from River Sankh, Odisha. Subsequently, the ADM, Sundargarh, issued an order to discontinue the water supply line availed by L&T. L&T has, accordingly, filed the aforesaid writ petition against the Demand. The Orissa High Court has passed an interim order directing the Tahasildar to refrain from discontinuing the water supply system subject to deposit of Rs 0.24 Cr by L&T. L&T deposited an amount of Rs 0.12 Cr. L&T filed representation before the Principal Secretary, Water Resources Department for calculation of water tax. Subsequently, the Under Secretary Department, Odisha ordered the Engineer in Chief to finalise the calculations of the industrial water tax payments. The amount involved in the matter is Rs 0.24 Cr. The matter is currently pending.

(xi) L&T has filed a petition against the rejection of certain claims by the Municipal Corporation of Greater Mumbai before the Bombay High Court. L&T had filed several applications before Municipal Corporation of Greater Mumbai seeking the approval from the Municipal Corporation of Greater Mumbai for commencement of various construction works. L&T had paid an amount of Rs 0.30 Cr under protest as directed by the Municipal Corporation of Greater Mumbai and thereafter filed a claim before the Municipal Corporation of Greater Mumbai for refund of certain charges. The Municipal Corporation of Greater Mumbai rejected the claim of L&T. The first appeal has been admitted by the Bombay High Court and will come up for final hearing in due course and no interim reliefs have been granted in favour of Bombay Municipal Corporation. The amount involved in the matter is Rs 0.30 Cr. The first appeal has been admitted and no interim relief has been granted in favour of Municipal Corporation of Greater Mumbai. The matter is currently pending.

(xii) The Municipal Corporation of Greater Mumbai has filed two criminal complaints against an official of L&T, L&T-SCOMI Consortium and others (collectively, the "Accused") before the Metropolitan Magistrate Court, Mumbai, under Sections 478, 478-1A and 478-1B of the Mumbai Municipal Corporation Act, 1888 in relation to alleged evasion of payment of octroi duty and fabrication of receipts of octroi duty by the Accused. The Mumbai Metropolitan Region Development Authority had entered into a contract with L&T-SCOMI Consortium for the purpose of construction of the monorail project and octroi duty was payable on goods imported for the purpose of the project. The matters are currently pending.

(xiii) L&T has filed a writ petition against the demand (the "Demand") of water cess passed by the Odisha State Pollution Control Board (the "Board") before the Odisha High Court. The Board raised the Demand against L&T in respect of construction work at Kansbahal for a certain period. During such period, engineering industries were not included in the Schedule of the Water (Prevention and Control of Pollution) Cess Act, 1977. The amount involved in the matter is Rs 8 Lakhs. The matter is currently pending.

(xiv) Our Promoter has received a notice from the relevant authority under the Minimum Wages Act and the Regional Labour Commissioner (Central), Nagpur in relation to claims submitted by two security guards deployed by 24x7. Vigilance and Facility Service who have alleged that they have been paid wages less than the specified wages under the Minimum Wages Act for the period of June 2015 to May 2016. The claims aggregate to an amount of Rs 0.18 Cr. The matter is currently pending.

(xv) The Labour Enforcement Officer filed a complaint against L&T before the Metropolitan Magistrate Court, Patiala in relation to the alleged violation of certain provisions of the Contract Labour (Regulation and Abolition), Act, 1970 at its various construction sites. The matter is currently pending.

(xvi) State of Odisha through the Assistant Director of Factories and Boilers, Rourkela Zone - III, Rourkela filed a case before Judicial Magistrate First Class, Rajgangpur against then occupier and then Manager of the factory (Kansbahal) of L&T, alleging lacuna on the part of the management for the injury sustained by one of the worker in the fabrication shop. Matter is currently pending.

(xvii) The State represented by the Labour Enforcement Officer (Central), Ponda and Vasco, Goa has filed a complaint against L&T, represented by Arvind Nerukar, before the Judicial Magistrate First Class, Panaji, Goa, in relation to alleged violation of Section 8(1)(b) of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 for not obtaining the requisite license for engaging contract workmen and for violation of Rule 49 of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) and Central Rules, 1980 for not maintaining the register of migrant workmen in the prescribed format. The matter is currently pending.

(xviii) The State represented by the Labour Enforcement Officer (Central), Ponda and Vasco, Goa has filed a complaint against L&T, represented by S. N. Subrahmanyan and Arvind Nerukar before the Judicial Magistrate First Class, Panaji, Goa, in relation to alleged violation of Section 12(1) of the Contract Labour (Regulation and Abolition) Act, 1970 for not obtaining the requisite license to employ contract labour and for the alleged violation of the provisions of the Contract Labour (Regulation and Abolition) Central Rules, 1971. The matter is currently pending.

(xix) L&T has filed a writ petition against the action taken by the Labour Department, Vizag before the Hyderabad High Court in relation to demand of cess (the "Demand") with respect to the project constructed for the National Thermal Power Corporation, Simhadri ("NTPC") under the Building and Other Construction Workers Cess Act, 1996 (the "BOCW Act"). The Hyderabad High Court has granted a stay order (the "Stay Order") in favour of L&T against recovery of the Demand. The amount involved in the matter is Rs 1.04 Cr. Subsequently, NTPC issued a letter to L&T indicating that they have received an intimation from the Joint Commissioner, Labour Department, Vizag claiming payment of Rs 3.37 Cr towards cess and penalty for the Financial Years 2008, 2009, 2010, 2011 and 2013. L&T has replied to NTPC contending that the Stay Order granted by the Hyderabad High Court against the Demand for the Financial Years 2008 and 2009 shall continue to apply for any demand that may be raised by the Labour Department, Vizag for subsequent years. The amount involved in the matter is Rs 3.37 Cr. The matter is currently pending.

(xx) L&T has filed a writ petition against the demand made by the Labour Department, Odisha before the Odisha High Court in relation to demand of 1% of total contract value (the "Demand") made under the BOCW Act in respect of contract awarded by Sterlite Energy Limited to L&T for certain railway siding works. The amount involved in the matter is Rs 2.43 Cr. The matter is currently pending.

(xxi) L&T has filed four writ petitions against the demand of cess (the "Demand") made by the Public Health Engineering Department, Barmer before the Rajasthan High Court under the BOCW Act for the Barmer project (SPR I and SPR II), Jodhpur undertaken by L&T. The Rajasthan High Court has granted conditional stay on the Demand and has required the payment of 1.0% cess to be made equally by L&T and the Government of Rajasthan. The matter is currently pending.

(xxi) L&T has filed a writ petition against the demand of cess and recovery of arrears (the "Demand") made by the Joint Commissioner of Labour and Assessing Officer, Government of Telangana before the Hyderabad High Court under the BOCW Act with respect to the metro rail project. The Hyderabad High Court has granted a stay order in favour of L&T against recovery of the Demand. The amount involved in the matter is Rs 140.00 Cr. The matter is currently pending.

(xxii) L&T has filed an appeal against the order passed by the Directorate General of Inspection before the Secretary, Labour Department, Government of India imposing penalty for contravention of certain provisions under the BOCW Act with respect to Jharkhand road project. The amount involved in the matter is Rs 1 Lakh. The matter is currently pending.

(xxiii) L&T and M.P. Sharma (the "Accused") filed a discharge petition (the "Discharge Petition") before the Sub-Divisional Judicial Magistrate, Sherghati in relation to the criminal case initiated against L&T and the Accused by the Labour Enforcement Officer (Central), Patna before the Sub-Divisional Judicial Magistrate, Sherghati for alleged violation of sections 47, 48 and 49 of the BOCW Act. The Sub-Divisional Judicial Magistrate, Sherghati has allowed the Application and the Discharge Petition. The matter is currently pending.

(xxv) L&T has filed a writ petition against the demand made by the Tahsildar before the Jharkhand High Court for market price and interest on certain minerals with respect to Jharkhand road project. The amount involved in the matter is Rs 0.39 Cr. The matter is currently pending.

(xxvi) L&T has filed a writ petition against a notification passed by the Sub-divisional Land and Land Reforms Officer (the "Officer") before the Kolkata High Court relating to levy of royalty and cess (the "Notification"). The Officer had levied cess and raised a demand of royalty under the Notification on the basis of treatment of ordinary soil under minor mineral. The amount involved in the matter is Rs 0.04 Cr. The matter is currently pending.

(xxvii) L&T has filed a writ petition against the fees demanded by the Government of Tamil Nadu before the Madras High Court relating to the cost of mineral and seigniorage in relation to Krishnagiri road project. The amount involved in the matter is Rs 7.05 Cr and has been paid by L&T. The matter is currently pending.

(xxviii) The Additional Director of Mines, Kota, passed order against L&T for deposit of approximately Rs 20 Cr towards royalty payment in connection with a supercritical thermal power project executed for Rajasthan Rajya Vidyut Utpadan Nigam Limited ("RRVUNL"), which was thereafter confirmed by the Appellate Authority for Mining. RRVUNL withheld such deposit amount from L&T's running bills. L&T filed writ petition before the Rajasthan High Court against the withholding of deposit amount. The Rajasthan High Court admitted the petition, directing 50% of the demanded amount to be released by RRVUNL in favour of L&T and Department of Mining. The matter is currently pending.

(xxix) L&T filed three appeals before the Additional District Magistrate, Sundargarh against the demand notices issued by the Revenue Inspector, Mining Department, Sundargarh, Odisha as well as the Orissa public demand recovery notices issued by the Tehsildar, Sadar and Certificate Officer in relation to delay in royalty payments of Rs 0.26 Cr by L&T pertaining to Sambalpur- Rourkela road project. The Additional District Magistrate, Sundargarh has granted a stay in favour of L&T against the aforesaid payment of royalty. The matter is currently pending.

(xxx) L&T has filed a special civil application before the Gujarat High Court against the demand made by the Commissioner of Geology and Mining and others, State of Gujarat (the "Commissioner"). The Commissioner had made a demand for payment of Rs 1.69 Cr (the "Demand") alleging illegal excavation of ordinary clay, a minor mineral by L&T in connection with construction of a portion of the road on National Highway No. 8A. L&T has filed a writ petition before the Gujarat High Court against the Commissioner, Additional Director (Appeal), Appeal and Flying Squad, Geology and Mining Department, (the "Additional Director"), Geologist, Geology and Mining Department (the "Geologist") and the State of Gujarat in relation to the Demand. The Gujarat High Court passed an order staying the operation of all demands issued by the Commissioner, the Additional Director and the Geologist against L&T. The matter is currently pending.

(xxxi) L&T has filed a writ petition against the acquisition of land (the "Acquisition") by the Government of Puducherry before Madras High Court under the Land Acquisition Act, 1894 with respect to of approximately 17 acres of land owned by L&T. The Madras High Court has granted a stay order against dispossession in respect of the Acquisition. The matter is currently pending.

(xxxii) L&T has filed a writ petition against the land reforms proceedings (the "Proceedings") by the Government of Puducherry (the "Government") before the Madras High Court under the Pondicherry Land Reforms (Fixing of Ceiling on Land) Act, 1973. The Government had issued summons against L&T and treated the land owned by L&T as agricultural land instead of treating the lands as falling under the industrial zone. The Madras High Court granted a stay order against the Proceedings. The matter is currently pending.

(xxxiii) L&T has filed a special civil application against an order passed by the Special Revenue Secretary, Gujarat (the "Special Revenue Secretary") before the Gujarat High Court. L&T had entered into lease deeds with certain land owners for construction of units pertaining to the Kakrapar Atomic Power Project. The Collector, Tapi District had passed an order (the "Order") (i) declaring the lease deeds to be void under Section 73(AA)(3)(a) of the Gujarat Land Revenue Code, 1879 (the "GLRC"), (ii) required restoration of possession of land leased by L&T and (iii) imposed a penalty of Rs 2.07 Cr on L&T. Subsequently, L&T filed a revision application under Section 203 read with Section 211 of the GLRC with the Special Revenue Secretary challenging the Order. The Special Revenue Secretary upheld the Order, and subsequently L&T filed the aforesaid special civil application before the Gujarat High Court. The amount involved in the matter is Rs 2.07 Cr. The matter is currently pending.

(xxxiv) L&T has filed a writ petition against the resumption order passed by the Collector, Sundargarh before the Odisha High Court challenging the applicability of the Odisha Land Reforms Act, 1973. The Odisha High Court has granted a stay order against any further action of the Government of Odisha in relation to resumption of land. The matter is currently pending.

(xxxv) G V Bapat, a food inspector filed a complaint against L&T, the supplier and buyer of food items used in the canteen of L&T before the Additional Chief Metropolitan Magistrate, Mazgaon under Section 2 of the Prevention of Food Adulteration Act, 1954 in relation to adulterated food being supplied. An exemption application has been filed, which was allowed by the Additional Chief Metropolitan Magistrate, Mazgaon. The matter is currently pending for further evidence of prosecution.

Other matters

(i) L&T has filed a writ petition against the demand made by the Collector and District Registrar, Hyderabad before the High Court of Hyderabad for the State of Telangana and the State of Andhra Pradesh relating to alleged deficiency of Rs 619.75 Cr in the payment of stamp duty. The matter is currently pending.

(ii) L&T has filed a writ petition against the demand of cess and recovery of arrears (the "Demand") made by the Joint Commissioner of Labour and Assessing Officer, Government of Telangana before the Hyderabad High Court under the BOCW Act with respect to the metro rail project. The Hyderabad High Court has granted a stay order in favour of L&T against recovery of the Demand. The amount involved in the matter is Rs 140.00 Cr. The matter is currently pending.

(iii) South City Group Housing Apartments Owners Association Bengaluru ("Sugruha"), an association in South City, Bengaluru filed a consumer complaint against L&T before the National Consumer Disputes Redressal Commission, Delhi (the "NCDRC"), in relation to deficiency of services in construction by L&T in respect of the residential project built by L&T in Bengaluru. The amount involved in matter is Rs 442.00 Cr. The matter is currently pending.

(iv) L&T initiated three arbitration proceedings against National Thermal Power Corporation ("NTPC") in relation to construction of 12 kilometers underground tunnel and head race tunnel for Tapovan Vishnugad hydroelectric power project (the "Power Project") of NTPC in Uttarakhand. L&T-AM JV, a joint venture of L&T and Alpine Bau GmbH was formed for the purpose of executing the Power Project. The claims involved in the three arbitration proceedings pertain to: (i) claims filed by L&T for a period from November 2006 to December 2009 pertaining to alleged delays and breaches committed by NTPC, including an amount aggregating to Rs 251.00 Cr; On 26.12.2018, Tribunal passed an award for Rs.62.88 Crs in favour of L&T-AMJV, with interest @ 18% from the date of award till payment. (ii) claims filed by L&T for a period from January 2010 to May 2012 pertaining to alleged delays and breaches committed by NTPC, including an amount aggregating to Rs 339.00 Cr; and (iii) claims filed by L&T including claims in relation to invocation and encashment of bank guarantees by NTPC, involving an aggregate amount of Rs 912.60 Cr. NTPC has filed a counter claim for Rs 3150.70 Cr.

In one of the arbitration proceedings, the arbitral tribunal has passed an interim order (the "Order") directing NTPC, inter alia, to furnish a bank guarantee of Rs 50.00 Cr in favour of L&T. NTPC has preferred an appeal against the Order before the Delhi High Court which has been disposed of by the Delhi High Court. The matter is currently pending.

(v) L&T initiated arbitration proceedings against Visa Power Limited ("Visa Power") in relation to the disputes arising out of contract entered into between Visa Power and L&T. Visa Power had awarded a contract to L&T for balance of plant package for setting up of a 2x600 MW Visa Raigarh Super Thermal Power Project at Devari and Dumarpali villages in the Raigarh District of Chattisgarh. In terms of the contract, Visa Power was required to make payments to L&T and L&T was required to furnish a bank guarantee in favour of Visa Power. The alleged failure of Visa Power to make timely payments to L&T, resulted in termination of the contract. Subsequently, Visa Power invoked the bank guarantee furnished by L&T. Therefore, L&T initiated arbitration proceedings against Visa Power and filed a statement of claim seeking for a total claim amount of Rs 602.98 Cr along with interest of 18% per annum till realisation of the same. Visa Power filed a counter claim of Rs 1829.87 Cr consisting mainly consequential damages. An application before the National Company Law Tribunal ("NCLT") is pending for corporate insolvency proceedings against Visa Power filed by Bank of Maharashtra as one of the creditors of Visa Power (the "Proceedings"). Pursuant to the Proceedings, a resolution professional has been appointed. The bank guarantee being encashed, L&T has filed applications before the NCLT for depositing the amount in a fixed deposit. This amount is already part of the statement of claims filed by L&T before the NCLT. Vide order dated 07.08.2018 both the applications filed by L&T were dismissed. L&T has preferred appeal before NCLAT, New Delhi with respect to the above applications which were dismissed. The NCLAT dismissed L&T's application which dismissal order was further carried in appeal before the Supreme Court. On 15th March, 2019, the Supreme Court has also dismissed the appeal (SLP) of L&T. The arbitration matter is currently pending.

(vi) A notice was sent by L&T and L&T MHPS Boilers Pvt. Ltd. ("LMB") to Jaiprakash Power Ventures Limited ("JPVL") invoking the Arbitration as JPVL failed to clear L&T's and LMB's dues which are altogether to the extent of approximately Rs 620.00 Cr, despite L&Ts and LMB's prompt action to fulfil contractual obligation pertaining to 2X660 MW Nigrie Project. The matter is pending.

(vii) L&T, along with its consortium member, Scomi Engineering BHD, Malaysia initiated two arbitration proceedings against the Mumbai Municipal Region Development Authority in relation to a monorail project in Mumbai being executed by the consortium. The claims in the two arbitration proceedings pertain to (i) interest on delayed payments aggregating to Rs 52.00 Cr Hon'ble Arbitral Tribunal passed an award in favour of the Consortium for an amount of Rs. 37.48 Cr. and (ii) price adjustment claims aggregating to Rs 108.54 Cr. The arbitration proceedings are currently in progress.

(viii) L&T initiated arbitration proceedings against Bangalore Metro Rail Corporation Limited ("BMRCL") in respect of certain claims relating to Viaduct and Elevated stations of Reach 3A package to the tune of Rs 124.52 Cr. BMRCL has also filed their counter claim of Rs 162.83 Cr. The arbitration proceedings are currently in progress. Hon'ble Arbitral Tribunal awarded an amount of Rs 17.44 Cr to L&T and allowed BMRCL's Counter Claim to an extent of Rs 0.31 Cr. L&T filed an arbitration suit challenging the Arbitral award, rejecting certain claims of L&T on the extended stay cost and others.

(ix) IOCL has filed an appeal under Section 34 of the Arbitration and Conciliation Act, 1996, before the Delhi High Court against the award dated May 18, 2017, passed in favour of L&T for Rs 167.00 Cr. L&T has filed an execution application against IOCL for the aforesaid appeal.

The appeal under Section 34 of the Arbitration and Conciliation Act, 1996 was decided in L&T's favour vide Order dated 01.06.2018. IOCL has filed a second appeal before division bench of Delhi High Court. The matter is currently pending.

(x) EMTA Coals Limited ("EMTA") had purchased a total of 128 Komatsu HD785 Dump Trucks and other mining equipment from L&T for which EMTA had entered into 18 Full Maintenance Contracts ("FMC") between January, 2006 and August, 2013 with L&T. The FMCs were renewed time to time. L&T approached EMTA for release of payments under FMC but the same was consistently delayed. A total sum of Rs 130.00 Cr is due from EMTA to L&T for which a winding up petition is filed before the Kolkata High Court. EMTA has filed a petition under Sections 11, 14 and 15 of the Arbitration and Conciliation Act, 1996 for Rs 142.00 Cr. The matter is currently pending.

(xi) North West Redwater Partnership ("NWR") issued a notice to L&T under the Arbitration Act of Alberta, inter alia claiming an amount of Rs 616.36 Cr on account of damages due to breach of contract and negligence. NWR and L&T had entered into contract where L&T was to provide carbon steel, stainless steel and alloy pipe spools, piping materials and other materials to NWR, Canada. Simultaneously, with issue of arbitration notice NWR also filed civil claim before Court of Queen's Bench, Alberta. L&T filed its reply to claims before the Court of Queen's Bench, Alberta and subsequently parties by consent agreed to withdraw the proceedings from the Court. Subsequently, the parties met at Houston, the United States of America, in February, 2018 for engaging in without prejudice negotiations (the "Negotiations"). During the Negotiations, NWR revised their claim amount to Rs 767.40 Cr. At present, the parties have signed the ADR Agreement in June 2018. Vide the above Agreement, the parties have exchanged information for the mediation process. The mediation is scheduled to be conducted in June 2019.

B L&T Transportation Infrastructure Limited ("L&T TIL")

Other matters

(i) The Ministry of Road Transport and Highways, Government of India ("MoRTH") has appealed against the order of an arbitral tribunal in favour of L&T TIL before the High Court of Delhi relating to a dispute arising out of unlawful termination of a concession agreement dated October 3, 1997 entered into between MoRTH and L&T TIL and for settlement of pending claims. MoRTH was directed to pay an amount of Rs 136.22 Cr for the loss of revenue incurred by L&T TIL. The matter is currently pending.

C. L&T Metro Rail (Hyderabad) Limited ("L&T MRHL")

Other matters

(i) L&T MRHL has filed a writ petition against the demand made by the Collector and District Registrar, Hyderabad before the Hyderabad High Court for the State of Telangana and the State of Andhra Pradesh ("Hyderabad High Court") relating to alleged deficiency of Rs 619.75 Cr in the payment of stamp duty for the agreement entered into between L&T MRHL and the Sponsor for engineering, procurement and construction. The Hyderabad High Court has granted an interim stay in the matter against the demand made by the Collector and District Registrar, Hyderabad. The matter is currently pending.

D. L&T Samakhiali-Gandhidham Tollway Limited ("L&T SGTL")

Other matters

(i) L&T SGTL initiated arbitration proceedings against the National Highways Authority of India ("NHAI") in relation to various disputes arising out of the concession agreement entered into between NHAI and L&T SGTL (the "Concession Agreement"). The disputes were in relation to (i) the reimbursement of costs of Rs 148.88 Cr incurred towards work done beyond the scope of the project as stipulated under the Concession Agreement; and (ii) the reimbursement of costs of 74.3 million incurred towards the maintenance of the project highway due to deterioration of the highway prior to the date of appointment. NHAI filed a counter claim of approximately Rs 1000.00 Cr, which was rejected by the arbitral tribunal. Arguments in the matter have been concluded. The arbitration award has been pronounced on 11.11.2018 in favour of L&T SGTL for an amount of Rs 115.02 Cr. NHAI has challenged the Arbitral Award dated 11.11.2018 before the HC of Delhi. The matter is pending.

E. L&T Chennai-Tada Tollway Limited ("L&T CTTL")

Other matters

(i) L&T CTTL initiated arbitration proceedings against the National Highways Authority of India ("NHAI") in relation to claims raised by NHAI in accordance with the concession agreement. L&T CTTL claimed an amount of Rs 583.00 Cr from NHAI before the arbitral tribunal. The matter is at arguments stage and is currently pending.

(ii) L&T CTTL initiated arbitration proceedings against the National Highways Authority of India ("NHAI") in relation to termination of the concession agreement entered into between NHAI and L&T CTTL. L&T CTTL served a termination notice dated June 24, 2015 on NHAI terminating the concession agreement and requested NHAI to make the termination payment amounting to Rs 448.89 Cr. Additionally, the project was operated and maintained by L&T CTTL till June 23, 2016 as NHAI did not take over the project immediately. NHAI challenged the termination and rejected the request to pay the termination amount in terms of the concession agreement and hence, the parties moved the dispute to the arbitral tribunal. Arguments have been concluded and the matter is reserved for Award.

(iii) IDBI Bank, Andhra Bank, Vijaya Bank and United Bank (the "Lenders") filed an original application before the Debt Recovery Tribunal, Chennai ("DRT") against L&T CTTL for recovery of dues in relation to termination of concession agreement entered into between NHAI and L&T CTTL. NHAI challenged the termination and rejected the request to pay the termination amount in terms of the concession agreement. Since NHAI did not pay the termination payments, the Lenders have approached the DRT to recover the debt due to them under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993. Order is passed in favor of the Lenders.

F. *L&T Infotech Limited*

Criminal matters

(i) Suhas Ambade filed an FIR on behalf of Maharashtra State Electricity Distribution Company Limited ("MSEDCL") before the Kalyan Police Station against Nitin Patwardhan (the "Accused"), an employee of L&T Infotech Limited in his capacity as a representative of L&T Infotech Limited, before the Court of Special Judge, Thane, for alleged unauthorised use of electricity by L&T Infotech Limited under Section 135 of the Electricity Act, 2003. L&T Infotech Limited filed an application for compounding of the alleged offence with MSEDCL. MSEDCL has approved our application for compounding the offence and L&T Infotech Limited has paid an amount of Rs 0.04 Cr towards compounding charges. The matter is currently pending.

G. *L&T Finance Limited ("L&T Finance")*

Criminal matters

(i) There are eight FIRs and nine criminal complaints registered against L&T Finance and its certain officials (collectively, the "Accused") in relation to alleged illegal or forceful repossession of asset financed through loan cum hypothecation agreement entered into between the respective complainants and L&T Finance. In such matters, it has been alleged that possession of the financed assets has been taken by the Accused, inter alia through theft, criminal breach of trust, extortion, fraud or forging of documents. In certain of these matters, the repossessed assets have been sold by L&T Finance. These matters are at different stages of adjudication and are currently pending.

(ii) The Electricity Department, Purnea filed a criminal case against L&T Finance before the Station House Officer, Purnea alleging theft of electricity by L&T Finance under section 135 of the Electricity Act, 2003. L&T Finance has deposited the charges and fine. The matter is currently pending.

(iii) Subhash Murlidhar Zende filed a criminal case against L&T Finance and others before the Chief Judicial Magistrate, Pune alleging non-issuance of registration certificate by the dealer in connivance with L&T Finance, for the vehicle financed through the loan availed from L&T Finance. The matter is currently listed for framing of charges.

(iv) Ranjit Singh (the "Complainant") filed a criminal case against L&T Finance and Oriental Bank of Commerce (collectively, the "Accused") before the Sub-Divisional Judicial Magistrate, Phillaur (Ludhiana) in relation to alleged defamation and intimidation by the Accused acting in connivance, to get the cheques of the Complainant, given at the time of availing the loan from L&T Finance, dishonoured, while he maintained sufficient balance in his account. The matter is currently pending.

(v) Siksha 'O' Anusandhan University (the "Complainant") filed a criminal case against L&T Finance (erstwhile Family Credit Limited) and one of its officials before the Sub-Divisional Judicial Magistrate, Bhubaneshwar for alleged cheating by crediting excess Equated Monthly Instalments (EMI) in the account of L&T Finance through electronic clearance system post closure of the loan account. The Complainant has sought direction to Inspector- in- Charge, Khandageri Police Station for registering the case and investigating the matter. The matter is currently pending.

(vi) Rameshwar Singh (the "Complainant") filed a criminal complaint before the Chief Judicial Magistrate, Jamshedpur, pursuant to which an FIR was registered against L&T Finance and its certain officials (collectively, the "Accused") before Sakchi Police Station, in relation to refusal by the Accused to refund the amount deposited by the Complainant after the proposed loan was not sanctioned to him. The Accused has filed a quashing petition before the Jharkhand High Court. The Jharkhand High Court has granted a stay on the proceedings. The matter is currently posted for final order.

(vii) An FIR was registered in the Chindwara Police Station on a complaint filed by Vikas Kumar Migalani, proprietor of Laxmi Leasing and Finance Company ("Complainant") against L&T Finance and its certain officials (collectively, the "Accused") before the police station, alleging fraud and criminal breach of trust by the Accused in relation to an investment made by the Complainant in certain investment schemes of L&T Finance. Pursuant to the FIR, a charge sheet was filed before the Chief Judicial Magistrate, Chindwara, and a case was registered against the Accused. The Accused filed a petition before the Madhya Pradesh High Court seeking stay of proceedings against the Accused, which was granted by the Madhya Pradesh High Court. The matter is currently pending.

(viii) A criminal complaint was filed by Sanjay Kumar Mishra (the "Complainant") before the Chief Judicial Magistrate, Jamshedpur against L&T Finance and its managing director and other officials (the "Accused") on July 3, 2010 under Sections 106, 406 and 420 of the Indian Penal Code, 1860 for alleged theft of the tractor of the Complainant. L&T Finance filed a quashing petition before the Jharkhand High Court. A stay for relief was granted as per order dated August 14, 2012. The matter is currently pending.

(ix) Archit Jhunjhunwala: Criminal Revision Petition against LTF (arising out of S.138 case filed by LTF) filed before the Bombay High Court: Gist: Rockwell being an authorised dealer for L&T Case was extended a dealer finance facility of Rs 0.75 Cr on revolving basis for one year with interest @10.50%. Subsequently, it was revised to 12.50%. by LTF. LTF had on account of defaults-initiated Section 138 proceedings against Archit Jhunjhunwala, the proprietor of Rockwell Infrastructure and succeeded in getting conviction orders against ArchitJ hunjhunwala has filed a criminal revision petition challenging the order of conviction. Current Status: The matter is posted on the stage of evidence.

(x) Dinesh Prasad Yadav: Criminal Case against LTF filed before the JMFC, Jamshedpur: Gist:Borrower has filed Criminal Case against LTF & L&T Officer (Sumeet Ganguly) on 24/04/2010 under sections 209/379/384 and 34 of IPC alleging that the truck financed to him by LTF was snatched along with Rs. 1.50 Lakhs cash and its papers. LTF has immediately filed an application u/s.205 of CRPC for discharge of appearance of the LTF employee who had been transferred. JMFC issued Summons post which. LTF filed S.205/CrPC before the JMFC. The Application was rejected & NBW was issued. LTF filed ABA before JHC. The ABA was granted. Current Status: Matter is at the stage of evidence.

(xi) **Gopal Chandra Gorai**: Criminal Case against LTF, ACJM, Bishnupur, Bankura: Gist:The Borrower had filed an FIR against LTF Employees post repossession of his asset hypothecated to the company at the time of availing loan. On account of defaults that asset was repossessed by LTF. But the party filed a case u/s – 156 (3), vide no. 41 of 2010 against a) Dipankar Banerjee, b) Gyanranjan Mondal, c) Susanta Sarkhel, d) Dipankar Ghosh, and e) Suman Kanta Deb and thereby Sonamukhi Police Station has registered a P.S. Case, vide no. 52 of 2010 dated 02-07-10 u/s – 379, 427 IPC. Mr. KhudiramBera, I.O. of Sonamukhi PS had been assigned to this case and subsequently Mr. Tapan Kr. Chakraborty, I.O., submitted the Final Report on Mistake of Fact (FRMF), vide no. 25/11 dated 30-03-11. But the Ld. Court ordered for reinvestigation as the Report furnished by the I.O. Mr. Tapan Kr. Chakraborty was not satisfactory. Hence, fresh investigation on the same and a fresh interim report was submitted before the Court. Current Status:The matter is pending before court and is posted for Framing of Charge.

(xii) **Jignesh N Solanki**:Criminal Appeal against LTF (arising out of S.138 case filed by LTF), Sessions Court , Mumbai: Gist: LTF had initiated a case under section 138 of the NI Act, against the borrower Mr. Jignesh Solanki and succeeded in obtaining conviction orders against the said borrower. The Criminal appeal is preferred by the borrower Jignesh Solanki against the order of conviction and also for extension of time for payment of compensation granted at the time of conviction: Current Status: This matter has been closed. The matter was dismissed as settled on 26.03.2019.

(xiii) **Nagji Ram Suthar**: Criminal Case against LTF, ACJM Mandal.: Gist:Nagji Suthar had lodged an FIR bearing number 159/2012 dated 19.12.2012 under section 382 and 386 of IPC against employees of LTF in the PS. Kareda, district Bhilwara, alleging that his tractor was taken away LTF alongwith the produce by using force upon his employee Meva Ram and who was asked to forcibly get down from the tractor before repossessing the same. After the asset was taken by the employees of LTF, both Nagji Suthar and Meva Ram. The employees of LTF were arrested and immediately Bail applications were moved before the lower court which was rejected. Again fresh bail applications were moved before the session court which obtained successfully. Current Status: Matter Is Pending For Further trial and is currently posted for evidence.

(xiv) **Riya Stone Crusher (Prop. SuchilTeron)**: Criminal Case against LTF, CJM, Kamrup, Gist: The proprietor of M/s. Riya Stone Crusher viz. Mr. Suchil Teron has filed a Criminal Complaint on 20.09.2012 bearing C.R. No. 1973 C/2012 before the Ld. C.J.M., Kamrup, Guwahati under Sections 120(B)/406/420/427/34 of Indian Penal Code against one Mr. Binod Shah proprietor of M/s. M. K. Machinery [Accused No. 1] and Mr. AsishSaha, Asstt. Manager, L&T Finance Ltd. [Accused No. 2]. Asish Saha alleging that his asset was illegally repossessed by LTF through its officers with the help of the proprietor of M. K. Machinery Mr. Binod Shah. Current Status: The matter is currently pending in court and is posted for hearing.

(xv) **Satish Kumar Sonkar**: Criminal Case against LTF, JMFC, Bilaspur (PS Torwa): Gist: Satish Kumar Sonkar had filed a Criminal Complaint against LTF and its officers under section 379 of IPC alleging that the manager of Jamshedpur branch had committed theft of the asset financed through LTF as he could not pay certain loan instalments FIR was registered on 06-08-2009. LTF immediately moved Anticipatory bail application before Sessions Court, which was rejected on 29/04/2010. LTF thereafter filed Anticipatory bail application before High Court and which was allowed on 08-09-2010. Current Status: Matter is posted for hearing.

(xvi) **Madhavrao Ghorpade:** Criminal Appeal against LTF (arising out of S.138 case filed by LTF). Gist: LTF had filed a cheque bouncing case against the borrower and obtained conviction orders. The borrower has filed the above appeal challenging the conviction order. Current Status: The matter is posted for final hearing.

(xvii) **Kabir Prakash Kewalramani** (Borrower: Accentia Technologies): Criminal Revision Petition against LTF (arising out of S.138 case filed by LTF). Gist: LTF had initiated a case under section 138 against the directors of Accentia Technologies Ltd on account of cheque bounces. Kabirprakash Kewalramani has filed the petition for quashing/ dismissing the138 complaint against him as he has already resigned from the company. Current Status: The matter is posted for hearing in Bombay High Court.

(xviii) **Rajendra Sharma (Pravin Sharma)**- Criminal Complaint against LTF: Gist: Rajendra Shrama purchased tractor and Financed from L&T. We repossessed the vehicle. Complainant filed cases against Pravin Sharma (L&T Ex- Employee) & Dealer. Charge sheet filed against our employee U/sec. 420. Concerned Ex-employee has engaged advocate from his side defense in the trial. We are keeping track of this case on our end also. Current Status -The matter is currently pending in court and is posted for evidence.

(xix) **Rati Razwar** :Criminal Case against LTF filed before CJM, Garhwa. Gist: Rati Razwar had availed a tractor loan from LTF and on account of default surrendered had surrendered the tractor. Thereafter, customer had filed a criminal complaint on 01/07/2009 alleging that despite of clearing the entire dues LTF officers namely Om Prakash and Mithilesh Ojha (both ex-employees) forcibly repossessed her tractor on the assurance that they were taking the tractor for check up and thereafter sold of the tractor. Charge sheet filed, we have filed an application for quashing of entire criminal proceeding before High court of Kolkata under Sec 482 & Anticipatory bail on behalf of ex-associate Mr. Ojha. Stay orders have been obtained in the quashing petition. Current Status: The rejoinder for discharge petition has been filed and the matter is pending before court. It is posted for final orders.

(xx) **Sanjay D. Bagal**: Criminal Revision filed against LTF against the orders of the Magistrate for dismissing his criminal complaint: Gist: Borrower was a defaulter. His vehicle was repossessed and sold by LTF. Borrower has initially filed Consumer Complaint and same was not rejected vide Order 01-07-2015 because Arbitration was in knowledge of borrower and he has not availed his remedy before Arbitrator. Then borrower filed criminal complaint before Chief Judicial Magistrate Court at Osmanabad and sought lodging of FIR against LTF. His complaint was dismissed in default vide Order dated 14/07/2016. Hence complainant filed revision petition against the order of CJM, Osmanabad court dated 14/07/2016. Current Status:The matter is posted for final orders.

(xxi) **Narayan Manikrao Chature**: Criminal Application against LTF before JMFC Ulhasnagar. Gist: Borrower had availed loan from LTF for purchase of vehicle. On account of default his vehicle was vehicle was repossessed and sold for recovery of outstanding dues. Borrower filed thereafter lodged a criminal complaint with Badlapur Senior P.I. and Ambernath police station alleging that the same was been illegally repossessed without due process of law with the help of the dealer and no intimation was given. He also alleged that a forged NOC was created and handed over to RTO for transfer of vehicle and that the vehicle was sold for a meagre amount on purpose to harass the borrower. Both police stations did not take cognizance of the complaints. He thereafter filed the criminal application before the JMFC, Ulhasnagar for the issuance of search warrants u/s 93 and 94 of CR.PC against LTF and orders for handover of the repossessed vehicle to him. Current Status: The matter is currently posted for evidence and we are also applying for quashing.

(xxii) **Uma Shankar Mishra**: Criminal Case against LTF (FCL) 2 cases: Gist:A Third party Mr. Uma Shankar thereafter filed an application under Sec. 200 of CRPC before the Ld. CJM Court, Kamrup (Metro) @ Guwahati against FCL, Marketing Manager, FCL and L&T Finance Holdings Ltd. implicating them under Sections 379/403/406/427 of IPC. Ratul Chandra Das had availed a loan from family credit which for purchase of vehicle hypothecated with FCL. The Customer had sold the vehicle to Mr. Uma Shankar Mishra a third party. FCL had repossessed the vehicle as the borrower had defaulted in payments of loan dues. The Customer had sold the asset without intimating FCL. Mr. Uma Shankar had filed the above case alleging that that marketing manager had called him fraudulently and persuaded him to provide services of the said vehicle to LTF and in exchange he offered good monthly amount/rent. He further alleged that on the false promises given by the marketing manager the vehicle was fraudulently repossessed from him. The Ld. Magistrate has after perusing the complaint issued process u/s 379 & 427 of IPC against LTF and the Marketing Manager. We had filed a quashing petition before the Guwahati high court against the above orders. Current Status: Orders for quashing the above order have been granted and injunction vacated.

(xxiii) **Manish Sukwasiya**: Criminal Case against LTF (FCL): Gist: Manish Sukhwasiya (the "Complainant") has filed a criminal complaint against Family Credit before the Indore police station under Section 379 of the Indian Penal Code, in relation to alleged re-possession of asset by Family Credit. Current Status : Matter is pending for hearing

(xxiv) **Ranjit Singh**: Criminal Complaint against LTF before SDJM, Phillour (Ludhiana) Gist: The Borrower has filed a Criminal complaint against LTF and Oriental bank of commerce u/s 500,506,120B, 34 of IPC alleging grounds of Defamation and Intimidation further alleging that LTF has acted in connivance with Oriental Bank and have deliberately got his cheques(PDC) bounced which were given at the time of availing the loan, while he maintained sufficient balance in his account. Current Status: The matter is still pending before the Court and is posted for hearing.

(xxv) **G.Kumar**: Civil Revision Petition filed against LTF filed before the High Court of Madras. LTF has obtained an award by filing Arbitration proceedings against the Borrower on account defaults under the loan Agreement. Since the Award was not challenged by the Customer, LTF proceeded with Execution of the award for recovery of dues and obtained arrest warrants against the Customer. The Customer has filed the above petition for getting the Warrant set aside in EP No. 19 of 2012 in arbitration case LOS/EFD/ARB/202/2010 alleging that the order passed by the district judge in the EP filed for arrest of petitioner is illegal, materially irregular & unsustainable in law. Current Status: The matter is still pending in Court and is posted for hearing

(xxvi) **Pradipkumar Kanaiyalal Modi Vs. Manager L&T Finance** :Criminal case filed beforeJ.M.F.C., court at Gandhinagar at Kalol vide Cri.Case No.59/2014: Gist: The Borrower had availed a vehicle loan from L&TFinance. Complainant alleged thathis vehicle was illegally and forcefully repossessed. Thereafter he filed the Criminal Application.Current Status: The matter is still pending before the court and is posted for hearing.

(xxvii) **Rameshwar Lal Dhakad**: Customer financed Tractor from L&T Finance in partnership with Hansraj Nayak. Due to default in repaying loan L&T Finance Employee Mr. Bablu Rajput repossessed the vehicle on behalf of the company. Hence criminal case and FIR No-0326/2018 dated 12-10-2018 was registered against him. Current Status: This matter is listed for hearing.

(xxviii) **Dongari Raju**: Criminal Revision against LTF (arising out of S.138 case filed by LTF) Gist:LTF had filed Sec.138 case against the customer and obtained process issuance orders. The Customer has filed the Criminal Revision petition for dismissal of the section 138 case filed and order of quashing/stay of proceedings.Current Status: This matter is listed for hearing.

(xxix) **Babita Kumari**: Criminal case u/sec. 156(3) Cr.P.C. filed against our employees Anand Mishra & Abhay Singh. Customer alleged that his vehicle was repossessed and sold. Hon'ble court directed police officials to institute cases U/156(3) Cr.PC. and investigation. Current Status: This matter is listed for police report.

(xxx) **Sumith Kumar**: Criminal Petition against LTF, AP High Court, Gist: The Borrower has filed the case alleging that his asset was repossessed by forcibly by LTF. LTF has marked appearance through advocate. Current Status: This matter is listed for hearing.

(xxxi) **Jagdid Gauri Hanker**: Customer financed his vehicle from L&T Finance. He defaulted in repaying the loan amount. He is alleging that his vehicle was wrongly repossessed and sold without his knowledge. Hence he filed criminal case against LTFS. Current Status: This matter is listed for hearing.

(xxxii) **Khandu Raghunath Katad**: Customer Khandu Katad- availed a loan facility from L&T Finance. He defaulted in repaying the loan and alleging that L&T had repossessed his vehicle. Customer registered an FIR No 19/2019 in Nashik Taluka Police Station on 2nd March, 2019 against our employees and Repo agents. We applied for bail application No. Cri. Bail Application No. 416/2019) at Additional Session Judge, Nashik and the court passed an order by granting bail to Employees of L&T Finance. Current Status: We are moving a petition for quashing the FIR.

(xxxiii) **Bangi Seshanna**: Customer took financial assistance of Rs. 1.90 Lakhs from LTF. He was unable to pay the instalments and he is alleging that his vehicle was repossessed by L&T Finance and sold illegally. The customer along with his village people went to L&T Office, Kurnool. He is alleging that the L&T Finance officials who were present in the branch abused him bringing in between his cast. Hence the FIR against L&T Employees registered under SC/ST (POA) Act. Current Status: We are moving quashing of FIR petition.

(xxxiv) **Ashok Ghosh**: FIR (Case no. 2939 of 2018) filed against our MCM Ashok Ghosh filed by the customers of Malda MC. Former FLO named Basant Poddar had committed wrong doings during his tenure at Malda MC but some customers have filed FIR against our MCM Ashok Ghosh. Initially when customers complained against Basant Poddar, our MCM Ashok Ghosh deliberately filed FIR against Basant in the same PS but now those customers have filed FIR against Ashok. Current Status: The matter is currently pending in court and is posted for hearing.

(xxxv) **Shah Steel Impex Pvt. Ltd**: The customer took financial assistance from L&T Finance. Customer defaulted in repaying the loan amount. Customer issued cheques for repaying loan but those cheques were bounced. Hence L&T Finance initiated Section-138 Negotiable Instruments proceedings against the customer. Customer challenged the 138 NI Act proceedings by way of filing this Revision Petition.. Current Status: The matter is pending in court and is posted for arguments.

(xxxvi) **Leo Duct Engineers & Consultants Ltd & Ors**: Customer financed three machines from L&T Finance. He defaulted in repaying the loan amount. He is alleging that his all machines were repossessed and later sold out illegally. Customer filed criminal complaint u/Sec. 156(3) Cr.P.C. against MD Dinanath Dubashi L&T Finance for lodging FIR before Metropolitan Magistrate, Ballard Estate, Mumbai. Police officials filed closure report in favour of L&T Finance mentioning that Criminal case cannot be filed if the dispute is of civil nature. Current Status: The matter is pending and listed for order

(xxxvii) **Jajala Muni Chandraiah (Jajala Trading pvt ltd)**: The customer took financial assistance from us. Customer issued cheques for repaying his loan amount but his cheques were bounced. Hence L& T Finance initiated Section – 138 Negotiable Instrument proceedings. Hence the present case is filed challenging the Section-138 Negotiable Instrument proceedings. Current Status: The matter is currently pending before the court and is posted for evidence.

Regulatory matters

(i) L&T Finance Limited ("**Transferor 1**") and L&T Fincorp Limited ("**Transferor 2**") amalgamated with Family Credit Limited (name subsequently changed to L&T Finance Limited, the "Transferee") by virtue of an order ("**Amalgamation Order**") passed by the National Company Law Tribunal, Mumbai, approving the scheme of amalgamation ("**Scheme**"). The Transferee had filed a special civil application before the Gujarat High Court against the order of the Collector and Superintendent of Stamps, Gujarat (**the "Collector"**) in relation to adjudication of stamp duty payable pursuant to the Scheme. The Transferee had filed an application before the Collector for adjudication of stamp duty payable on transfer of certain immovable property belonging to Transferor 2 which is situated in Gujarat, to the Transferee, pursuant to the Amalgamation Order. Subsequently, the Collector passed an order dated August 29, 2017 (**the "Collector Order"**) requiring the Transferee to pay a stamp duty amounting to Rs 12.36 Cr within a period of 90 days, under the provisions of Gujarat Stamp Act, 1958 computed on the basis of the market value of the equity shares of Transferor 1 and the Transferor 2 which were issued to the shareholders of the Transferee pursuant to the provisions of the Scheme. The Transferee through its application filed with the Collector sought for recall and/ or modification of the Collector Order since the adjudication was erroneously conducted on the equity shares and not on the immovable property concerned. Accordingly, the Transferee had filed the aforesaid special civil application before the Gujarat High Court seeking quashing of the Collector Order. The Gujarat High Court has passed a stay order against the Collector Order. Subsequently, the Transferee basis the order of the Gujarat High Court approached the Chief Controlling Revenue Authority ("**CCRA**") Gandhinagar, Gujarat with a plea to set aside the order of the Additional Collector and

Superintendent of Stamps, Gandhinagar dated August 31, 2017. The CCRA vide its order dated September 14, 2018 has remanded the matter to the Additional Collector and Superintendent of Stamps, Gandhinagar to revaluate the properties and to adjudicate and order accordingly. Our Company has received an interim demand notice dated December 10, 2018 from the Collector and Additional Superintendent of Stamps, Gandhinagar demanding Rs 12.36 Cr payment, to produce evidence of stamp duties paid in the states of Maharashtra and West Bengal and file our reply by December 18, 2018. Our Company has sought additional time to file such reply. The matter is currently pending and is listed for hearing.wrong doings during his tenure at Malda MC but some customers have filed FIR against our MCM Ashok ghosh. Initially when customers complained against Basant Poddar, our MCM Ashok Ghosh deliberately filed FIR against Basant in the same PS but now those customers have filed FIR against Ashok.Current Status: The matter is currently pending in court and is listed for hearing.

Other matters

(i) L&T Finance Limited initiated corporate insolvency resolution proceedings as financial creditors under the Insolvency and Bankruptcy Code, 2016 against Castex Technologies Limited for recovery of dues before the National Company Law Tribunal, New Delhi. The amount involved in the case is Rs 152.16 Cr. The matter is currently pending.

(ii) L&T Finance Limited has filed an intervention application in the National Company Law Appellate Tribunal ("NCLAT") under Rule 31 read with Rule 11 of the NCLAT Rules, 2016 to intervene, seek clarification and make appropriate submissions in Company Appeal (AT) No. 346 of 2018 filed by the Union of India ("UOI") pending before the NCLAT, in its capacity as the financial creditor of Moradabad Bareily Expressway Limited ("MBEL"), a subsidiary of IL&FS Transportation Networks Limited ("ITNL"), which in turn is a subsidiary of Infrastructure Leasing and Financial Services Limited ("IL&FS"). The said intervention application also seeks a declaration from the NCLAT that the Interim Order dated October 15, 2018 does not affect the interests of Our Company. The matter was posted for hearing on April 16, 2019. Company has also preferred a Civil Appeal before the Hon'ble Supreme Court of India under section 423 of the Companies Act, 2013, assailing the order dated February 11, 2019, passed by the NCLAT. The said Civil Appeal bearing number 2397-98 of 2019 is pending admission.

(iii) The Director General of GST Investigation ("DGGI") has issued a show cause notice ("SCN") dated October 18, 2018 to L&T Finance Limited, inter-alia, alleging that additional interest, penal interest and default interest charged to customers is liable to service tax and goods and services tax ("GST") as applicable. The SCN will be adjudicated in due course before the Principal Commissioner of CGST. The amount of tax involved in the SCN is Rs 197.29 Cr for the period starting from April 2013 to June 2017.Based on the tax opinions, our Company is of the view that such interest is not chargeable to service tax under Section 66D of the Finance, Act 1994. For adjudication of the SCN, a personal hearing will be granted by the Commissioner of CGST, normally within a year. However, our Company is yet to receive a date. In the interim, our Company has sought time to file its submissions for the SCN and is in the process of finalizing the detailed submissions.

H. L&T Realty Limited ("L&T Realty")

Regulatory matters

(i) Eight complaints have been filed against L&T Realty before the Maharashtra Realty Estate Regulatory Authority in relation to compensation for termination of agreement of sale/ compensation for delay in handing over a flat/other like matters. The matters are currently pending at various stages of adjudication.

I. Kudgi Transmission Limited ("KTL")

Other matters

(i) KTL (the "**Petitioner**") filed a petition against BESCOM and others (the "Respondents") before the Central Electricity Regulatory Commission (CERC), in relation to revision in tariff in terms of a transmission services agreement ("TSA") for increased cost incurred due to the order of the district magistrate for accessing the land for laying towers. The Petitioner also claimed costs incurred due to force majeure events in terms of the TSA. The matter is currently pending before CERC.

J. L&T Infrastructure Finance Company Limited

(i) L&T Finance Limited filed an original application before the Debt Recovery Tribunal, New Delhi against SVOGL Oil Gas and Energy Limited for recovery of dues. The amount involved in the case is Rs 267.67 Cr. The matter is currently pending.

(ii) L&T Finance Limited initiated corporate insolvency resolution proceedings as financial creditors under the Insolvency and Bankruptcy Code, 2016 against Coastal Projects Private Limited for recovery of dues before the National Company Law Tribunal, Kolkata. The amount involved in the case is Rs 154.43 Cr million. The matter is currently pending.

K. Nabha Power Limited

Other matters

(i) Nabha Power Limited ("NPL") filed a case against Punjab State Power Corporation limited ("PSPCL") before Punjab State Electricity Regulatory Commission ("PSERC") Chandigarh, for an increase in capital cost for construction of a railway siding in the plant as per new conditions imposed by the railways authorities. NPL argued that the tariff adjustment qualified as 'Change in Law' provision of the Power Purchase Agreement, but PSERC Chandigarh dismissed the petition on October 1, 2012 on the ground that the scope of 'Change in Law' covered only statutory approval and the present case involved commercial or operational considerations. Thereafter, NPL filed an appeal in the Appellate Tribunal for Electricity ("APTEL") and the APTEL vide its judgment dated

May 23, 2014 accepted NPL's claim and directed State Commission to pass consequential orders. Subsequently, PSPCL filed an appeal before the Hon'ble Supreme Court, against the judgment passed by APTEL. The quantum involved is Rs 20.82 Cr and the matter is currently pending.

(ii) Nabha Power Limited ("NPL") filed a case against Punjab State Power Corporation limited ("PSPCL") before Punjab State Electricity Regulatory Commission ("PSERC") Chandigarh, against claim of PSPCL for 'Change in Law' provision of the Power Purchase Agreement ("PPA") as a result of tariff reduction due to grant of Mega Power Status to NPL by Ministry of Power vide letter dated July 30, 2010. PSERC dismissed the petition holding that NPL had failed to fulfil the conditions of Foreign Trade Policy ("FTP") and 'Change in Law' event occurred when Mega Power Policy ("MPP") status was granted to NPL. In appeal, NPL approached the Appellate Tribunal for Electricity ("APTEL"), however, APTEL rejected NPL's claim and referred the matter back to PSERC for decision with respect to claim under FTP. The PSERC rejected NPL's claim under FTP. NPL filed an appeal against both claims before the Hon'ble Supreme Court. The quantum involved is Rs 463.11 Cr and the matter is currently pending.

Material Litigations

Litigations involving InvIT assets

List of Claims as of March 31, 2019

Note:

i) Material Claims means, claims made on or by the InvIT assets amounting to Rs Two crore and above

ii) Interest accrued, if any, on the claims are not included

iii) Claims made against or by the InvIT assets before 8th May 2018 would be passed on to the Sponsor.

iv) Claims made against or by the InvIT assets for events before 8th May 2018 would be passed on to the Sponsor.

Annexure - A

Claims against InvIT Assets

S.No.	Description of KWTL claim	Remarks/Status	
1	NHAI raised a claim against KWTL for the short remittance of additional concession fee, due to granting of extra concessions /exemptions to the vehicles which are not eligible for such exemptions, in terms of the Concession Agreement. The amount involved is Rs. 4.61 Cr. The subject matter is under discussion.	NHAI raised the claim on 3rd Nov 2015 which was responded appropriately by the Concessionaire on 28th Jun 2016 stating that Rs. 1.26 Cr is payable by the Concessionaire which may be adjusted from Loss of Revenue due to the Force Majeure Events like TNSTC, VDBOA etc.	Claim raised by NHAI upto Sept 2014 and no further claim raised thereafter
2	NHAI may raise a claim against KWTL in terms of the Concession Agreement for payment of 0.25% of the total project cost towards safety fund under change of scope. The amount involved is Rs. 3.13 Cr. The subject matter is under discussion.	NHAI is yet to raise claim on the Concessionaire	

S.No.	Description of KWTL claim	Remarks/Status	
3	NHAI raised a claim against KWTL in relation to negative change in scope of services, seeking repayment of the savings made by KWTL on account of construction of pipe drain in terms of the Concession Agreement. The amount involved is Rs. 8.50 Cr. The matter is subject to conciliation.	We have offered Rs. 3.37 Cr. as Negative COS in Dec'2013 in order to get Provisional Certificate in lieu of SBT transaction. NHAI PD recommended to NHAI RO in Jan 2014. Concessionaire replied to the queries raised by NHAI in May 2014. The Independent Engineer in response to NHAI HQ's observations modified the cost estimate to Rs. 8.50 Cr and submitted to NHAI in Mar'15. Subsequently, the undertaking given by KWTL to repay the savings made on account of construction of Pipe Drain during processing the Provisional Certificate was withdrawn in Jun 2016 and stated that this will not qualify under Clause 16.6 as output parameters and functionality was not compromised.	To be recovered from L&T EPC Contractor, in case we have to pay to NHAI
4	NHAI raised a claim against KWTL in relation to negative change in scope of services, seeking repayment of the savings made by KWTL on account of construction of rest area in terms of the Concession Agreement. The amount involved is Rs. 0.74 Cr. The matter is subject to conciliation.	The Independent Engineer stated that the savings to be passed on to the Authority as Rs. 0.74 Cr for non-construction of one Rest Area due to land availability constraints. Requested for waiver of said amount referring Clause 16.6 of CA in Jun 2016.	Already adjusted from L&T EPC Contractor.
5	NHAI raised a claim against KWTL in relation to negative change in scope of services, seeking repayment of the savings made by KWTL on account of reduction in length of major bridge in terms of the Concession Agreement. The amount involved is Rs. 1.57 Cr. The matter is subject to conciliation.	The Independent Engineer agreed to compliance to Specifications and Standards and the technical substantiality of the Major Bridge though there was a shortfall in length by 11.5 m. On insistence from NHAI, the Independent Engineer worked out the savings as Rs. 1.57 Cr. The reduction in length of Bridge compared to Schedule - B provisions is mainly attributed inter alia to Non-availability of land and presence of critical structures like TNSTC Bus Depot and fuel station on Krishnagiri Side approach. The Concessionaire stated in Jun 2016 that it is not qualified under Clause 16.6 as output parameters and functionality was not compromised.	Claim initiated by IE in Feb 2016. To be recovered from L&T EPC Contractor, in case we have to pay to NHAI

S.No.	Description of KWTL claim	Remarks/Status	
6	NHAI raised a claim against KWTL in relation to negative change in scope of services, seeking repayment of the savings made by KWTL on account of reduction in length of RE Wall in terms of the Concession Agreement. The amount involved is Rs. 30.49 Cr. The matter is subject to conciliation	Out of a scope of 31 structure locations, the Independent Engineer reviewed 17 drawings of RE Walls for which construction progressed accordingly. Though technically compliant, the Independent Engineer started rejecting the balance RE Wall drawings stating that the length of RE wall as per scope is not matching the requirements. The Concessionaire submitted a befitted response accounting the site conditions along with Plan & Profile reviewed by IE and stating the use of innovative design permissible as per Schedule – D viz., pre tensioned pre cast voided beams for structures reducing the depth of slab which in turn has an effect on reduction in RE Wall length. As the works are still pending due to land acquisition issues, PD NHAI opined that the comprehensive savings are to be assessed only after completion of review of all balance RE Wall Drawings by IE. Concessionaire stated in Jun 2016 that it is not qualified under Clause 16.6 as output parameters and functionality was not compromised.	Claim initiated by IE in Feb 2016. To be recovered from L&T EPC Contractor, in case we have to pay to NHAI
7	NHAI raised a claim against KWTL in relation to negative change in scope of services, seeking repayment of the savings made by KWTL on account of shifting of existing drain in terms of the Concession Agreement. The amount involved is Rs. 1.57 Cr. The matter is subject to conciliation.	The Concessionaire utilized the existing drain for which the technical proposal (i.e existing drain meeting hydraulic requirements) along with methodology was concurred by the Independent Engineer. The Independent Engineer later pointed out that the savings made on account on non-construction of rectangular drain as specified in Appendix – 1, Schedule – B of CA shall be passed on to the Authority which was categorically denied by the Concessionaire in Jun 2016 stating that it is not qualified under Clause 16.6 as output parameters and functionality was not compromised.	Claim initiated by IE in Feb 2016. To be recovered from L&T EPC Contractor, in case we have to pay to NHAI
8	NHAI raised a claim against KWTL in relation to negative change in scope of services, seeking repayment of the savings made by KWTL on account of reduction	The Concessionaire submitted the revised Cross Section drawing for IE's review retrofitting the Project features in the existing Right of Way	Claim initiated by IE in Feb 2016. To be recovered from EPC

S.No.	Description of KWTL claim	Remarks/Status	
	in main carriage way width in terms of the Concession Agreement. The amount involved is Rs. 23.71 Cr. The matter is subject to conciliation	and complying with the 20m width which avoids Environmental Clearance on account of no significant progress to hand over the 16.94% of vacant and unencumbered land to the Concessionaire. Such drawings along with Schedule were reviewed by IE and conveyed by their letter dated 18.01.2012. The succeeding PD NHAI, pointed out the issue, while recommending the issuance of PCC. The IE recommended the savings made by the Concessionaire due to reduction in pavement width and shyness to be passed on to the Authority. Concessionaire in Jun 2016 requested for waiver under Clause 16.6 of CA.	Contractor, in case we have to pay to NHAI
9	NHAI raised a claim against KWTL in relation to design and construction of pavement crust in terms of the Concession Agreement. The amount involved is Rs.78.19 Cr. The matter is subject to conciliation.	The Independent Engineer after completion of construction as per the design reviewed by IE assessed the savings of Rs. 78.19 Cr made by the Concessionaire for design and construction of pavement crust for 10 years adopting Stage Construction in lieu of 20 years based on the reply to pre-bid query. The Concessionaire stated in Jun 2016 that the issue does not qualify under Clause 16.6 of CA and the output parameters along with functionality were never compromised by Concessionaire.	Claim initiated by IE in Feb 2016. Rs 30.10 Cr recovered from EPC Contractor. Balance amount is incorrectly assessed by IE/NHAI. Quantification to be contested
10	NHAI raised demand to provide CCTV for the entire length of Project Highway at every 2km interval (Amount not quantified).	Concessionaire has stated that it is required only at locations where there is a need, like important junctions and provided 6 out of 7 locations (1 balance at Ambur stretch) as determined by IE. However, later on IE determined to provide 74 numbers as insisted by NHAI. The dispute was notified and Conciliation failed. Arbitration Invoked vide letter number 19 dated 26.07.2018	Under Arbitration

S.No.	Description of DHTL Claim	Remarks/Status	
1	The independent engineer for the Project has recommended to NHAI to recover the damages for the delay in completion of punch list items of the toll plazas at Kadabahalli and Shanthigrama. NHAI requested the SPV to give necessary instructions to the escrow agent for appropriation of the damages calculated by the independent engineer for the period until completion of all the punch list items from the escrow account to the credit of NHAI. The amount involved is Rs. 1.76 Cr. The matter is under discussion.	NHAI asked the Escrow Bank to remit the damages which has been disputed by the Concessionaire. Revised the damages to Rs. 4.01 Cr based on actual date of completion by IE and communicated to Concessionaire vide letter 236 dated 17.05.2017. Replied by Concessionaire vide letter 551 dated 01.06.2018. Arbitration in process. Revised damages as per the Counter claim of NHAI is Rs. 5.77 Cr.	Notified as Dispute in May 2015
2	NHAI may raise a claim in relation to certain punch list items that may not be completed within stipulated time.	The punch list items wherever feasible have been completed, the remaining items are either having land issues or local hindrances. Hence, there is no delay on the part of SPV and as such NHAI/IE will not be in a position to levy any damages. However, in the event the balance punch list work (estimated to cost about Rs. 0.37 Cr) is treated as negative COS, in that event 80% of the value amounting to Rs. 0.30 Cr may have to be paid to NHAI.	Work is completed, issue closed except seven median openings.
3	NHAI may raise a claim in relation to distress (cracks and rutting) of pavement measuring approximately 60 kilometers on one side of the carriageway.	Work is in progress, as per the methodology approved by NHAI, in terms of the good industry practices. For the same, an amount of Rs. 30 Cr has been allocated excluding BG encashed from BSCPL towards repair cost with some expenditure already incurred in the FY18 & FY19 for the work completed and balance amount kept aside for FY20 in respect of work yet to be completed.	
4	Delay in execution of shoulder drop at certain locations. IE has recommended Rs. 6,365/- per day from 14.06.2018 to NHAI. The total damages not quantified and the same is not recognized by NHAI till now.	Response given to NHAI stating that there were hindrances like unprecedented rains and requested for extension of time for completion of this rectification work in terms of the Concession Agreement.	There is no response from NHAI on the issue
5	Penalty/Damage imposed due to non-planting of Avenue Plantation (From 21.02.2018 to 31.03.2018) Rs. 6015 * 39days	Replied by Concessionaire vide letter 672 dated 23.10.2018	

	(From 01.04.2018 to 13.06.2018) = Rs. 6365 *74days. NHAI-PIU vide letter 1210 has quantified the damages as Rs. 0.07 Cr and further responded to RO vide letter 1506 dated 14.11.2018 to write to Escrow Bank.		

S.No.	Description of WATL claim	Remarks/Status	
1	NHAI raised a claim against the SPV in relation to levy of penalty for delay in overlay works in the scheduled time. The independent engineer appointed for the Project recommended the penalty amounting to Rs. 14.70 Cr as damages for the delay in executing periodical renewal coat in the SPV highway. Amount has been revised to Rs.12.34 Cr by NHAI, after notification of the issue as a Dispute by SPV.	Not applicable as the delay was due to unforeseen situations like Bitumen crisis, tax issues due to State bifurcation, delay in Permission of Crusher by Dist. Collector etc. Being taken up through NHBF by all the Concessionaires. It is understood that IE has revised the damages based on the recent NHAI's circular to Rs. 12.34 Cr. NHAI proposed for recovery from Escrow Account. Notified as "Dispute" by the Concessionaire and conciliation in process.	IE initiated the penalty in May 2016. As per NHAI HQ directions, we have requested IE to mediate and is pending with IE.

S.No.	Description of KTTL claim	Remarks/Status	
1	The independent engineer for the Project has recommended to NHAI to recover the damages due to delay in the commencement of periodic overlay works. The said amount is to be recovered from the escrow account of the SPV. The amount involved is Rs. 1.49 Cr. The matter is under discussion	Replied by the Concessionaire appropriately. To be closed.	IE initiated the penalty in May 2016.
2	The independent engineer for the Project has recommended to NHAI to recover the damages in relation to deficiency in thickness of overlay. The amount involved is Rs. 6.94 Cr. The matter is under discussion.	Overlay work done based on the pavement Riding quality, Structural condition of the pavement and design traffic. The penalty is Rs 95000 per day from December 30, 2015, and is not closed. Replied by the Concessionaire appropriately. NHAI in NOC for InvIT stated that Rs. 6.94 Cr proposed for recovery.	IE initiated the penalty in May 2016
3	NHAI has noted certain non-compliances of the project facilities such as wayside amenities, rest area, truck laybacks, busbays and bus shelters, utility ducts and pedestrian/cattle underpass by the SPV in terms of the Concession Agreement. The amount involved in the matter has not been quantified. The matter is under discussion.	Claim not quantified by NHAI. Could be a potential claim at a later date. The likely value to be about Rs 11.9 Cr	PD initiated the issue in May 2016

4	NHAI raised a claim against the SPV to remit the damages in relation to delay in completion of punch list items such as delay in providing fencing for the right of way in terms of the Concession Agreement. The amount involved is Rs. 4.40 Cr which may be recovered by NHAI from escrow account of the SPV. The matter is under discussion	NHAI in NOC for InvIT has once again raised the issue (of Dec 2012) that Rs. 4.40 Cr proposed for recovery.	SPV replied that the work was completed and hence no penalty is applicable. Also SPV believes that this claim is time barred.
5	IE notified for rectification of the potholes, way side amenities, delineators and rehabilitation of minor bridges. Recommended damages on monthly basis and the last recommendation of damages is for Rs. 9.76 Cr for the alleged delay in rectification upto 31.07.2018 vide letter dated 04.08.2018	Replied suitably by the Concessionaire to the earlier recommendation of damages upto 31.05.2018 vide letter number 539 dated 26.06.2018 and requested NHAI to instruct IE to withdraw its recommendation of damages as there is no default of Concessionaire. However, as a routine, IE has updated the damages including rutting, spalling of concrete and HTMS to Rs. 12.97 Cr. vide its letter 568 dated 08.02.2019.	Amount has increased to Rs. 13.43 Cr.

S.No.	Description of BPPTL claim	Remarks/Status	
1	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to delay for non-completion of work included in the punch list in terms of the Concession Agreement. The amount involved is Rs. 6.57 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.	Replied by the Concessionaire appropriately. To be closed.	To be recovered from L&T EPC Contractor, in case we have to pay to NHAI.
2	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to recover damages with SPV must remit to NHAI towards default of its O&M obligations. The amount involved is Rs. 1.80 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
3	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to unauthorized lane closure without prior approval of NHAI for executing the work and non-submission of diversion plan in terms of the SPV Concession Agreement. The SPV has notified it as a "Dispute" under the Concession Agreement. The amount involved is Rs. 0.14 Cr. The matter is under discussion.		

4	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to unauthorized lane closure and the SPV must remit to NHAI such amounts towards default of its O&M obligations. The amount involved is Rs. 1.80 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
5	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to delay in reopening and closing of lane without prior approval of NHAI in terms of the Concession Agreement. The amount involved is Rs. 1.40 Cr. The matter is under discussion.	The SPV has notified it as a "Dispute" under the Concession Agreement.	
6	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for non-functioning of project facilities in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 3.47 Cr. The matter is under discussion.	The SPV has notified it as a "Dispute" under the Concession Agreement.	
7	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in avenue plantation activity in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 2.44 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
8	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies in RE wall in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 0.73 Cr. SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
9	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies in SOS emergency call boxes in respect of O&M obligations in terms of the Concession Agreement. The amount involved is		

	Rs. 0.29 Cr. SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion		
10	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies in Metal Beam Crash Barrier and sign board in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 0.12 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion		
11	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies in Solar Lights at minor junctions in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 1.11 Cr. The matter is under discussion	The SPV has notified it as a "Dispute" under the Concession Agreement.	
12	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies observed on the project site (Section – 1) in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 0.36 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
13	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies observed on the project site (Section – 1) in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 0.30 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
14	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies observed on the project site (Section – 1 and 2) in respect of O&M obligations in terms of the Concession Agreement. The amount		

	involved is Rs. 0.21 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
15	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies observed on the project site (Section – 2) in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs.0.15 Cr. The SPV has notified it as a "Dispute" under the Concession Agreement. The matter is under discussion.		
16	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies observed on the project site (Section – 1 and 2) in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 4.41 Cr. The matter is under discussion.	The SPV has notified it as a "Dispute" under the Concession Agreement.	
17	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to levy of penalty for delay in repair and rectification of defects and deficiencies observed on the project site (Section – 2) in respect of O&M obligations in terms of the Concession Agreement. The amount involved is Rs. 0.37 Cr. The matter is under discussion	The SPV has notified it as a "Dispute" under the Concession Agreement.	
18	The independent engineer appointed for the Project has confirmed and recommended to NHAI that it may recover amounts in relation to negative change in scope of services from the savings made by the SPV in the cost of embankment in the stretches not complying with the stipulated specifications, in terms of the Concession Agreement. NHAI noted the recommendations made by the independent engineer. The amount involved is Rs. 8.11 Cr. The matter is under discussion.	Suitably replied by Concessionaire	To be recovered from L&T EPC Contractor, in case we have to pay to NHAI.
19	The independent engineer appointed for the Project has recommended to NHAI that it may recover amounts in relation to negative change in scope of services from the savings made by the SPV on account of	Suitably replied by Concessionaire	To be recovered from L&T EPC Contractor, in case we have to pay to NHAI.

	non-construction of utility ducts in terms of the Concession Agreement. The amount involved is Rs. 6.31 Cr. The matter is under discussion.		
20	NHAI may raise a claim against BPPTL in relation to premature distress developed on a section of the project, which is under rectification.	Work is in progress, as per the methodology approved by NHAI, in terms of the good industry practices. Hence, no delay is expected and therefore damages may not apply.	Work methodology submitted to NHAI.
21	NHAI may raise a claim against BPPTL in relation to seepage of water noticed in both tunnel tubes.	Work to be taken up, as per the methodology submitted to IE/NHAI, in terms of the good industry practices. Hence, no delay is expected and therefore damages may not apply	Work in progress.
22	The project company has received show cause notice from NHAI citing certain defects in the Project Highway. on 4th April 2019.	SPV has suitably replied on 13th April 2019and further necessary actions have been initiated for withdrawal of these letters.	Reply awaited from NHAI
23	The project company has received a cure period notice from NHAI citing certain defects in the Project Highway on 4th April 2019. The same needs to be replied/acted within 60 days.	SPV has suitably replied on 13th May 2019 and further necessary actions have been initiated for withdrawal of these letters.	Reply awaited from NHAI

List of Material Litigations

Note:

i) Material Claims means, claims made on or by the InvIT assets amounting to Rs Two crore and above

ii) Interest accrued, if any, on the claims are not included

iii) Claims made against or by the InvIT assets before 8th May 2018 would be passed on to the Sponsor.

iv) Claims made against or by the InvIT assets for events before 8th May 2018 would be passed on to the Sponsor.

Annexure - c

Litigations against Initial Identified InvIT Assets

S.No.	Description of BPPTL litigations
1	Babu Lal Choudhary ("**Petitioner**") filed a writ petition against NHAI and BPPTL, amongst others, challenging the construction of the toll plaza, within 500 metres of the petrol pump of the Petitioner. The Petitioner alleged that the license accorded to BPPTL for setting up the toll plaza breaches the guidelines laid down by the Ministry of Road Transport and Highways, and also prayed for shifting of the toll plaza and additional damage caused to the drainage system installed. The matter is currently pending.
2	Manish Ojha (the "**Applicant**") filed an application against BPPTL and others, under Section 133 of the Code of Criminal Procedure, 1973 before the District Magistrate, Pali, in relation to various issues and inadequacies with respect to the construction of the project highway. He has also prayed for providing additional facilities which are out of the scope of the project under the concession agreement. BPPTL and NHAI have filed their reply to the application stating that the complaint is baseless and frivolous. The matter is currently pending.

S.No.	Description of KWTL litigations
1	Vellore District Bus Owners Association (the "**Association**") filed a writ petition before the High Court of Madras (the "**High Court**") against KWTL and other parties praying that the notification of the Government of India dated October 5, 2010 permitting KWTL, to collect toll fee, as per the revised toll policy be quashed, and its operation be stayed. The High Court, by its order dated June 7, 2011 (the "**Order**"), directed that the status quo be maintained. The High Court, by its order dated July 12, 2011, vacated the status quo. The matter is currently pending.
2	The Confederation of Surface Transport, Tamil Nadu (the "**Confederation**") has filed a writ petition against KWTL and other parties before the High Court of Madras (the "**High Court**"), praying that the notification of the Government of India dated October 5, 2010 permitting KWTL, to collect toll fee, as per the revised toll policy be quashed, and its operation be stayed. The High Court, by its order dated June 13, 2011, directed that the status quo as on June 1, 2006 be maintained until further orders. The status quo was vacated on July 12, 2011. The matter is currently pending.
3	The Krishnagiri District Bus Owners Association and other individual bus owners have filed various writ petitions against KWTL, NHAI and MoRTH praying that the notification of the Government of India dated October 5, 2010 permitting KWTL, to collect toll fee, as per the

	revised toll policy be quashed, and its operation be stayed. These matters are being heard together and are going to be taken up for final arguments. These matters are currently pending.
4	KWTL filed a writ petition against the Tamil Nadu State Transport Corporation Limited, Villupuram ("**TNSTC**") in relation to payment of user fee/toll fee strictly in terms of the fee notification dated October 5, 2010 issued by the Ministry of Road Transport and Highways (the "**Notification**"). The petition was filed in relation to the utilization of the highway by TNSTC buses without the payment of requisite toll. TNSTC has filed a suit against KWTL, amongst others, before the High Court of Madras praying to formulate a better scheme for monthly pass holders, to grant benefits for relocating the toll plazas out of the limits of the local town and municipal area, to grant discounts to locals and frequent users and to implement the revision in fee only on completion of 6-laning. TNSTC further prayed for the amendment to Rule 9.3 of the Notification (which provides a reduction of 50% of the toll payable, provided that the commercial vehicle is registered in the said district) be applied to TNSTC buses. The matter is currently pending.
5	The Deputy Commissioner of Income Tax, Corporate Circle-4, Chennai, passed an order under Section 143(3) of the Income Tax Act, 1961 dated March 31, 2015 (the "**Order**")] against the SPV in relation to collection revenue being treated as capital receipt and not being charged to tax with a demand of Rs. 14.45 Cr. [The SPV filed a rectification petition dated April 10, 2015 (the "**Rectification Petition**")] under Section 154 of the Income Tax Act, 1961 in relation to certain costs being mentioned incorrectly as Rs. 18.38 Cr instead of Rs. 28.38 Cr in the Order. Against the Rectification Petition, the Deputy Commissioner of Income Tax, Corporate Circle-4, Chennai passed an order dated May 6, 2015 (the "**Rectification Order**") reducing the demand to Rs. 10.03 Cr. The Rectification Order was deemed to be a notice of demand under Section 156 of the Income Tax Act, 1961. Separately, the SPV filed an appeal before the Commissioner of Income Tax (Appeals) ("**CIT-A**") against the Order on the grounds of treatment of toll collected as revenue receipt, amongst others. The demand raised under Section 154 of the Income Tax Act, 1961 has been paid.

Annexure - D

Litigations by Initial Identified InvIT Assets

S.No.	Description DHTL litigations
1	A number of disputes arose between DHTL (the "**Concessionaire**") and NHAI with respect to issues arising out of the concession agreement entered into between the Concessionaire and NHAI. In relation to these disputes, the Concessionaire incurred financial losses and as a result, made certain claims against NHAI including: (i) compensation for damages due to delay in handing over of vacant and unencumbered land; (ii) compensation for losses incurred on account of delay in issuance of second provisional certificate; (iii) compensation for losses incurred on account of delay in taking decisions in relation to change of scope; (iv) compensation for additional costs incurred on account of material adverse effect; (v) payment of additional expenses and interests; (vi) compensation for costs incurred towards construction of additional minor junctions under the change of scope; (vii) reimbursement of additional costs incurred on account of lower rates considered by NHAI; and (viii) payment of amounts wrongfully deducted by NHAI ("**Claims**"). The parties resorted to conciliation and on failure of the conciliation, arbitration was invoked by BPPTL in relation to the Claims. The consolidated claim amount as on August 30, 2017 was Rs 64.44 Cr. Arbitral Tribunal is constituted, pleadings in the matter has been completed. NHAI has also lodged counter claims for an amount of about Rs.0.07 Cr. Arguments are likely to commence shortly. The matter is currently pending.

IV. Litigations involving Trustee

There are no material litigations as on 31st March, 2019 of IDBI Trusteeship Services Limited, the Trustee.

RISK FACTORS

Risks Related to IndInfravit's Organisation and Structure

(1) IndInfravit is a newly settled Trust with about 11 months of operating history and no prior historical financial information and, as a result, investors may not be able to assess its prospects on the basis of past records.

(2) IndInfravit has incurred indebtedness, the terms of which could be considered to impose restrictions and conditions which may adversely affect IndInfravit's ability to conduct its business.

(3) There are Debentures secured against the assets of the relevant Project Company and contain restrictive provisions, which may affect DHTL's, WATL's and KTTRL's ability to undertake their businesses.

(4) The ICICI Loan at Trust level and the Debentures at Project levels accrue interest at variable rates and any increase of such interest rates will increase the cost of borrowings of IndInfravit and the Project Companies.

(5) The Valuation Report by Mr. Santosh N ("Santosh" or "RV") is not an opinion on the commercial merits and structure of the Trust nor is it an opinion, express or implied, as to the trading price of Units or the financial condition of IndInfravit Trust, and the valuation of the Project Companies contained in such Valuation Report may not be indicative of the true value of the Project Companies.

(6) The accuracy of statistical and other information with respect to the Road Infrastructure Sector and the Traffic Assessment reports forming a part of the Valuation may not have factored all scenarios with respect to the Project Companies.

(7) Traffic Assessment reports may not have factored in the effect of future traffic on account of newly proposed and upcoming highways.

Risks Related to IndInfravit's Business and Industry

(8) IndInfravit's rights are subordinated to the rights of secured creditors, debt holders and other parties, if any, specified under Indian Law in the event of insolvency or liquidation of any of the Project Companies.

(9) The Project Companies have entered into Concession Agreements with NHAI which contain certain onerous provisions and any failure to comply with such concession agreements could result in adverse consequences including penalties and the substitution of the concessionaire.

(10) Toll rates are determined under the Concession Agreements by NHAI and may not protect the Project Companies against increases in operating expenses and in turn reducing pay-outs to investors.

(11) The Project's revenues from tolls are subject to significant fluctuations due to changes in traffic volumes and the mix of traffic and a decline in traffic volumes could adversely affect their business prospects, financial condition, results of operations and their ability to make distributions.

(12) Leakage of the tolls collected on the Projects may adversely affect the Project Companies' revenues and earnings.

(13) The Project Companies have a limited period to operate the Projects as the concession periods granted to the Project Companies are fixed.

(14) Notwithstanding that the concession periods granted to the Project Companies are fixed, concession periods may be modified/ reduced under particular circumstances and affect the Project Companies revenues.

(15) The Concession Agreements may be terminated prematurely under certain circumstances.

(16) The Project Companies may be required to incur capital expenditure due to capacity augmentation obligations under their concession agreements.

(17) The Project Companies, which are responsible for the operation and maintenance of the Projects, may be directed by the relevant Concessioning authority to undertake, and the Project Companies will be obliged to perform, additional construction work.

(18) There may be an adverse effect on KWTL's financial condition as KWTL has not been provided with the right of way for the entirety of the land required to complete the balance work in KWTL Project.

(19) Newly constructed roads or existing alternative routes may compete with the Projects and result in the diversion of the vehicular traffic and consequently a reduction of tolls that the Project Companies can collect.

(20) BPPTL is required to pay annual premiums to NHAI in consideration for being granted the right to build and operate the BPPTL Project. Failure to make such payments could result in the termination of the BPPTL Concession Agreement by NHAI.

(21) An inability to obtain, renew or maintain the required statutory and regulatory permits and approvals or to comply with the applicable laws may have an adverse effect on the business of the Project Companies.

(22) Failure to comply with and changes in, safety, health and environmental laws and regulations in India may adversely affect the business, prospects, financial condition and results of operations of the Project Companies.

(23) The current insurance coverage for the Projects may not protect the Project Companies from all forms of losses and liabilities associated with their businesses.

(24) The business and financial performance of IndInfravit, the operations of the Projects and any future projects that IndInfravit may acquire, are significantly dependent on the policies of, and relationships with, various government entities in India and could be affected if there are adverse changes in such policies or relationships.

(25) Projects awarded to the Project Companies may be subject to legal or regulatory action and the Project Companies may be required to incur substantial expenses in defending any such actions and there is no assurance that the Project Companies will be successful in defending such actions.

(26) The Project Companies, parties to IndInfravit and their respective associates are involved in legal proceedings, which if determined against such parties, may have an adverse effect on the reputation, business and results of operations of IndInfravit.

(27) IndInfravit may not be able to acquire road assets or efficiently manage road assets it may acquire in the future.

(28) The Project Companies depend on their sub-contractors to operate and maintain the Projects. Any delay, default or unsatisfactory performance by its sub-contractors could adversely affect the Project Companies' ability to effectively operate or maintain the Projects.

(29) The Project Companies may be held ultimately liable for the payment of wages to the contract labors engaged indirectly in the operations of IndInfravit.

(30) The results of operations of the Project Companies could be adversely affected by strikes, work stoppages or increased wage demands by its employees and sub-contractors.

(31) The Project Companies have experienced losses in previous years and any losses in the future could adversely affect IndInfravit's business, financial condition and the results of its operations, its ability to make distributions and the trading price of the Units.

(32) Contingent liabilities could adversely affect the Project Companies' financial condition.

(33) IndInfravit derives a large part of its operations and revenues from the BPPTL Project and IndInfravit is therefore exposed to the financial condition of BPPTL.

(34) The Project Companies may be required to pay additional stamp duty if any Concession Agreement is subject to payment of stamp duty as a deed creating leasehold rights, or as a development agreement.

(35) IndInfravit has entered into certain related party transactions and there can be no assurance that such transactions will not have an adverse effect on IndInfravit's financial condition and results of operations.

(36) IndInfravit must maintain certain investment ratios which may pose additional risk.

(37) IndInfravit does not own the trademark "IndInfravit" and the associated logo to be used by it for its business and its ability to use the trademark may be impaired.

(38) RBI has clarified to certain banks that lending at Trust level from banks would not be permitted. However they have as yet not issued any circular or clarification to this effect. Under the circumstance, it is possible that the loans availed from ICICI would either have to be refinanced through NCD's or the loans would have to be moved down to the Project level. This may have adverse implications on pay-outs to unitholders.

Risks Related to IndInfravit's relationship with the Sponsor, Project Manager and Investment Manager

(39) The inability to retain or replace certain personnel at the Investment Manager or the Project Manager could adversely affect the overall performance of IndInfravit.

(40) The Investment Manager has limited experience and may not be able to successfully implement its investment strategy for and Investment Objectives of IndInfravit or to manage IndInfravit's growth effectively.

(41) There may not be any eligible acquisition opportunities from the Sponsor or third parties in the future, which may adversely affect IndInfravit's business, financial condition, results of operations and prospects.

(42) The ROFO Assets which are being developed by the Sponsor are subject to risks related to price movements and engaging third party contractors which may have an adverse effect on the Sponsor's ability to offer them to IndInfravit under the Right of First Offer and Future Assets Agreement.

(43) IndInfravit may not be able to successfully fund future acquisitions of new projects due to the unavailability of debt or equity financing on acceptable terms, which could impede the implementation of its acquisition strategy and negatively affect its business.

(44) Parties to IndInfravit must comply with the eligibility criteria under Regulation 4 of the InvIT Regulations. The registration of IndInfravit may be cancelled if IndInfravit is not able to ensure ongoing compliance with the InvIT Regulations by the Trustee, Sponsor, Investment Manager and Project Manager.

(45) The interests of the Unitholders, the Sponsor as a Unitholder and CPP-PHI-3 and/or its affiliates may be different.

(46) There are potential conflicts of interest between IndInfravit, the Sponsor and the Investment Manager.

(47) Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Investment Manager and IndInfravit.

(48) The use of additional leverage by the Investment Manager and IndInfravit are subject to risks.

Risks Related to Investment in the Units

(49) If the Sponsor has to divest its unitholding after three years from the Listing Date, this could have an adverse effect on the trading price and liquidity of the Units.

(50) The regulatory framework governing Infrastructure Investment Trusts in India is recent and its interpretation in terms of the reporting requirements and other obligations imposed on Infrastructure Investment Trusts may involve legal uncertainties, increase compliance costs, and thereby adversely affect the business, financial condition and results of operations of IndInfravit.

(51) The ability of IndInfravit to make or maintain consistency in distributions to Unitholders depends on the financial performance of the Project Companies and their profitability.

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

(53) Some decisions on matters relating to the management of IndInfravit are subject to Unitholders' approvals, which if not obtained, could lead to adverse effects on IndInfravit's business.

(54) Unitholders will have no vote in the election or removal of Directors and the Investment Manager and will be able to remove the Investment Manager and Trustee only pursuant to a majority .

(55) The price of the Units may decline.

(56) The net asset value per Unit may be diluted if new Units are issued in the future and the absence of pre-emptive rights may lead to a dilution in existing Unitholders' percentage interest in the Units.

(57) It may be difficult for IndInfravit to dispose of its non-performing assets.

(58) The Units are not actively traded and as such may not result in an active or liquid market for the Units.

(59) Market and economic conditions may affect the market price and demand for the Units.

(60) The rights of the Unitholders to recover any claims against the Project Manager, Investment Manager and the Trustee may be limited.

(61) The proceeds from a termination of a Project Company of IndInfravit, may be less than the amount invested by investors in the Issue.

(62) Information and the other rights of Unitholders under Indian Law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.

(63) IndInfravit has a limited number of listed peers undertaking similar lines of business for comparison of performance and therefore investors must rely on their own examination of IndInfravit for the purposes of investment in the Issue.

Risks relating to IndInfravit's Tax Position

(64) IndInfravit may be subject to withholding, financial penalties and other sanctions under the United States Foreign Account Tax Compliance Act, the Common Reporting Standard and other similar exchange of tax information regimes.

(65) 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 IndInfravit's business.

(66) Indian tax laws are subject to changes and differing interpretations which may materially and adversely affect the operations of IndInfravit.

(67) The Project Companies enjoy certain benefits under Section 80-IA of the IITA in relation to the projects and any change in these tax benefits may adversely affect its results of operations.

(68) Investors may be subject to Indian taxes arising out of capital gains on the transfer/ redemption of the Units.

(69) The income of IndInfravit in relation to which pass through status is not granted under the IITA may be chargeable to Indian taxes in the hands of Indinfravit.

(70) The Project Companies may be claiming tax depreciation/ amortization on the road constructed on a BOT basis. As per CBDT circular no 9 of 2014, the claim of deprecation may not be allowed on the cost of road assets constructed on BOT basis. However, amortization of the cost over the life of concessionaire agreement should be allowed.

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

(72) The Ministry of Finance, GoI, has recently constituted a task force to draft new direct tax legislation and this may have an adverse effect on the returns to Unit holders.

Risks relating to India

(73) Changes in legislation or the rules and regulations in India could adversely affect IndInfravit's business, prospects and results of operations.

(74) IndInfravit and/or the Project Companies may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect their business.

(75) Political instability or changes in the economic policies by the GoI or the governments of the states in which the Project Companies operate could affect the financial results and prospects of IndInfravit.

(76) Significant differences could exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which may affect investors' assessments of IndInfravit's financial condition.

(77) Any downgrading of India's debt rating by an international rating agency could have an adverse impact on the businesses of the Project Companies.

(78) A slowdown in economic growth in India could adversely affect the business of the Project Companies.

(79) Significant increases in the price of or shortages in the supply of crude oil could adversely affect the volume of traffic on the Projects and the Indian economy in general, including the surface transportation infrastructure sector, which could have an adverse effect on the Project Companies' business and results of operations.

(80) High inflation or deflation in India could have an adverse effect on the Project Companies' results of operations and financial condition.

(81) Unitholders may not be able to enforce a judgment of a foreign court against IndInfravit or the Investment Manager.

(82) Economic developments and volatility in securities markets in other countries may also cause the price of the Units to decline.

(83) Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and could have an adverse effect on the business, financial condition and results of operations of the Project Companies and the price of the Units.

(84) India is vulnerable to natural disasters that could severely disrupt the normal operation of the Project Companies.

(85) An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could adversely affect the business of IndInfravit.

(86) A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely affect the financial condition of IndInfravit.

(87) Under Indian Law, foreign investors are subject to investment restrictions that limit IndInfravit's ability to attract foreign investors, which may adversely affect the trading price of the Units.

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of IndInfravit Trust

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of IndInfravit Trust ("the InvIT" or "the Trust") and its subsidiaries (the Trust and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2019, the consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Unit Holder's Equity for the period 7 March 2018 to 31 March 2019, the consolidated Statement of Net Assets at fair value as at 31 March 2019, the consolidated Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows of the Trust and each of its subsidiaries for the period 7 March 2018 to 31 March 2019 and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, its consolidated profit including other comprehensive income, its consolidated cash flows, consolidated changes in Unit holders' equity for the period 7 March 2018 to 31 March 2019, the consolidated net assets as at 31 March 2019, the consolidated total returns of the Group and the net distributable cash flows of the Trust and each of its subsidiaries for the period 7 March 2018 to 31 March 2019.

Basis for Opinion

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

Key Audit Matters

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

Sl. No	Key Audit Matter	Auditor's Response
1	**Purchase Price Allocation ('PPA')** The Trust has been created to invest in Infrastructure project entities identified by the Board of Directors of the LTIDPL IndvIT Services Limited ("the Investment Manager"). The consideration paid for such investments which results in acquisition of control has to be allocated after considering the assets and liabilities to be recognized under Ind AS. This Purchase Price Allocation ("PPA") is to be carried out in compliance with Ind AS 103. As part of PPA, the Trust has to identify assets and liabilities (including previously unrecognized intangible assets and liabilities, if any) as allowed under Ind AS and fair value the same as at the acquisition date. Fair Valuation of such assets, especially with respect to intangible assets, and liabilities requires estimates and judgements by the Investment Manager, which may significantly affect their valuation of these assets and liabilities and the accuracy of goodwill / gain on bargain purchase recognized in the consolidated financial statements. Accordingly, PPA has been identified as a Key Audit Matter.	Our principal audit procedures included the following: Verifying the appropriateness of the Group's accounting policy for acquisition of infrastructure project entities. Reviewing the Trust's external expert's reports supporting the fair value of assets and liabilities. Verifying the appropriateness of the valuation methodologies and the reasonableness of the key assumptions and judgements made by the Investment Manager / valuers in the valuation / purchase price allocation and discussing with the Investment Manager on the assumptions considered in PPA and the reasonableness of the same Verification of inputs given by the Investment Manager to its expert for determining the fair value of assets and liabilities as at the date of acquisition. Evaluating the objectivity, independence and competency of the experts used by the Investment Manager by reference to their qualification and experience

Sl. No	Key Audit Matter	Auditor's Response
	Refer Note 2.3 of significant accounting policies and Note 41 "Disclosures pursuant to Ind AS 103 'Business Combinations'" to the consolidated financial statements.	Checking the arithmetical accuracy of the computation of goodwill / gain on bargain purchase
2.	**Impairment assessment of Intangible Assets** The infrastructure companies into which the Trust has invested have intangible assets in the form of Toll Collection Rights ("TCR") which constitute 95% of the total assets of the consolidated assets of the Group. These intangible assets are tested for impairment at every reporting date by the Group by taking into consideration the discounted future cash flows or net realizable value whichever is higher as per Ind AS 36 "Impairment of Assets". This assessment is based on future projections and estimates of cash flows, using appropriate discount rate or fair market value of such rights. Goodwill on consolidation is tested for impairment on an annual basis by the Group using enterprise value of respective subsidiary companies to which the goodwill relates to. Enterprise value calculation involves use of future cashflow projections, discounted to present value, terminal value and other variables. These use of management projections and estimates results in inherent risk of error with respect to the valuation of the above intangible assets and accuracy of impairment loss, if any.	Our principal audit procedures included the following: Verifying the appropriateness of the Group's accounting policy impairment of intangible assets. Assessing the appropriateness of the Group's valuation methodology applied in determining the recoverable amount. In making this assessment, evaluate the objectivity, independence and competency of valuer involved in the process; Assessing the assumptions around the key drivers of the cash flow forecasts, discount rates, revenue projections based on the independent experts' traffic study reports, etc.; Assessing the appropriateness of the weighted average cost of capital used in the determining recoverable amount; Discussing key drivers for valuation with Investment Manager in order to evaluate whether the inputs and assumptions used in the cash flow projections were appropriate; Test the arithmetical accuracy of the model.

Sl. No	Key Audit Matter	Auditor's Response
	Therefore, the impairment of intangible assets has been considered as a Key Audit Matter. Refer Notes 2.4, 2.7, 2.8 of significant accounting policies, note 34 "Disclosure pursuant to Ind AS 36 'Impairment of Assets'" and note 41 "Disclosures pursuant to Ind AS 103 'Business Combinations'" to the consolidated financial statements	
3	**Major Maintenance Expenses Provision** The subsidiary companies are obligated to carry out major maintenance of the toll road infrastructure on a periodical basis as agreed in the Service Concession Agreements with National Highways Authority of India ("NHAI"). Such costs are estimated and provided for on a straight-line basis by the subsidiary companies over the period between such major maintenance and repair falls due. The determination of such costs involves management estimates of items of cost required for repair and maintenance like quantity and cost of building material, labour and other expenses. The use of estimates indicates an inherent risk in the accuracy of the provision for major maintenance and valuation of liability, therefore Major Maintenance Expense Provision has been considered as a Key Audit Matter. Refer note 2.17, 2.20 of significant accounting policies and note 35 "Disclosures as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent assets'" to the consolidated financial statements.	Our principal audit procedures included the following: Understanding the process associated with the estimation of resurfacing obligation; Understanding the requirement under concession agreement; Assessing the appropriateness of the assumption used in estimating the cost of major maintenance Comparing the assumptions used in the previous year and concluding on the appropriateness of changes, if any. verification of the disclosure in the consolidated financial statements.

Information Other than the consolidated Financial Statements and Auditor's Report thereon

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

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

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

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

Responsibilities of the Board of Directors of Investment Manager for the Consolidated Financial Statements

The Board of Directors of Investment Manager is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position as at 31 March 2019, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in unit holder's equity for the period 7 March 2018 to 31 March 2019, the consolidated net assets as at 31 March 2019, the consolidated total returns of the Group and the net distributable cash flows of the Trust and each of its subsidiaries for the period 7 March 2018 to 31 March 2019 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended and relevant rules issued thereunder read with read with the SEBI InvIT Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the SEBI InvIT Regulations for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

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

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

Auditor's Responsibility for the Audit of the consolidated Ind AS Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Investment Manager

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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

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

We communicate with those charged with governance 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 of 2 subsidiaries, whose financial statements reflect total assets of Rs. 126,237 Lakhs and net assets of Rs. 12,247 Lakhs as at 31 March 2019, total revenues of Rs. 22,943 Lakhs, profits after taxes of Rs. 906 Lakhs and net cash outflows amounting to Rs. 1,323 Lakhs from the acquisition date upto 31 March 2019, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Investment Manager 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 is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Trust so far as it appears from our examination of those books and the reports of the other auditors.

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the consolidated Statement of Cash Flows, the consolidated Statement of Changes in Unit Holders' Equity, the consolidated Statement of Net Assets at fair value, the consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows of the Trust and each of its subsidiaries dealt with by this Report are in agreement with the books of account.

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

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

Place
Gurgaon

Date
16 May 2019

V. Viswanathan
Partner
Membership No. 215565

Rs. Lakhs

Particulars	Note	As at March 31, 2019
ASSETS		
(1) Non-current assets		
a) Property, Plant and Equipment	3	642.21
b) Capital work-in-progress	4	2.97
c) Intangible assets	5	758,700.35
d) Intangible assets under development	6	165.07
e) Goodwill on Acquisition	41 , 34	77,304.55
f) Financial Assets - Others	7	70.27
g) Other non-current assets	8	2,485.62
		839,371.04
(2) Current assets		
a) Financial Assets		
i) Investments	9	24,530.55
ii) Cash and cash equivalents	10	3,031.46
iii) Other bank balances	11	5.20
iv) Others	12	4,633.86
b) Other current assets	13	1,095.43
		33,296.50
Total Assets		**872,667.54**
EQUITY AND LIABILITIES		
EQUITY		
a) Unit capital	14	370,000.00
b) Initial settlement amount	14	0.10
c) Other Equity		18,736.99
		388,737.09
LIABILITIES		
(1) Non-current liabilities		
i) Borrowings	15	90,208.88
ii) Other financial liabilities	16	279,804.31
b) Provisions	17	18,060.04
c) Other non-current liabilities	18	13.65
d) Deferred Tax Liabilities	29	46,189.77
		434,276.65
(2) Current liabilities		
a) Financial liabilities		
i) Trade payables	19	
a) Total outstanding dues of micro enterprises and small enterprises		631.90
b) Total outstanding dues of creditors other than micro enterprises & small enterprises		1,636.00
ii) Other financial liabilities	20	40,421.70
b) Provisions	21	6,595.16
c) Other current liabilities	22	272.22
d) Current tax liabilities (net)		96.82
		49,653.80
Total Equity and Liabilities		**872,667.54**

As per our report attached of even date

For Sharp & Tannan
Chartered Accountants
(Firm's Registration No. 003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the Board of LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust

Consolidated Statement of Profit and loss for the period March 07, 2018 to March 31, 2019 Rs. Lakhs

Particulars	Note	March 07, 2018 to March 31, 2019
REVENUE		
Revenue from Operations	23	77,273.14
Construction contract revenue		2,840.48
Other income	24	2,113.51
Total Revenue		**82,227.13**
EXPENSES		
Construction contract expenses		2,844.65
Project manager fees		1,605.21
Insurance & Security fees		920.45
Investment manager fees		671.92
Operating expenses	25	14,241.04
Employee benefit expenses	26	1,002.31
Finance costs	27	41,961.50
Depreciation and amortisation	3 & 5	28,127.20
Impairment of Goodwill	41 , 34	39,091.28
Administration and other expenses	28	3,483.84
Total Expenses		**133,949.40**
Profit / (Loss) before tax		**(51,722.27)**
Tax Expense:		
Current tax		1,170.36
Deferred tax		(3,835.49)
Profit / (Loss) after tax		**(49,057.14)**
Other Comprehensive Income		
i) Items that will not be reclassified to profit or loss - Re-measurements of defined benefit obligations (Net of Tax)		23.71
ii) Items that will be reclassified to profit or loss (Net of Tax)	41	81,559.33
Total Comprehensive Income for the period		**32,525.90**
Attributable to:		
Unit holders		**32,525.90**
Non-controlling interests		-
Earnings per unit (Basic and Diluted) (in Rs.)		(13.26)
Face Value Per unit (in Rs.)		100.00

As per our report attached of even date

For Sharp & Tannan
Chartered Accountants
(Firm's Registration No. 003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the Board of LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust

Consolidated Statement of Cash Flows for period March 07, 2018 to March 31, 2019

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
A Net profit / (loss) before tax	(51,722.27)
Adjustment for	
Depreciation and amortisation expense	28,127.20
Interest expense	41,961.50
Interest income	(121.92)
(Profit)/loss on sale and fair valuation of current investments (net)	(1,768.07)
Impairment of Goodwill	39,091.28
(Profit)/loss on sale of fixed assets	587.14
Operating profit before working capital changes	**56,154.86**
Adjustments for:	
Increase / (Decrease) in provisions	(734.47)
Increase / (Decrease) in trade payables	1,070.89
Increase/(Decrease) in financial liabilities	(15,212.23)
Increase / (Decrease) in other liabilities	276.50
(Increase)/Decrease in other assets	(1,142.44)
(Increase)/Decrease in other non current financial assets	(2,006.50)
Net cash generated from operating activities	**38,406.61**
Direct taxes paid (net of refunds)	(1,073.54)
Net Cash generated from operating activities	**37,333.07**
B Cash flow from investing activities	
Additions pursuant to acquisitions of subsidiaries - Property, Plant & Equipment	(383.22)
Purchase of Property, Plant & Equipment	34.54
Additions pursuant to acquisitions of subsidiaries - Mutual funds	(2,784.06)
Cash flow on acquisition of subsidiaries	(33,014.23)
Changes in other bank balances	740.09
Interest received	121.92
Net cash (used in) investing activities	**(35,284.96)**

IndInfravit Trust

Consolidated Statement of Cash Flows for period March 07, 2018 to March 31, 2019 Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
C Cash flow from financing activities	
Proceeds from issue of unit capital	314,500.10
Proceeds from borrowings	64,600.00
Transaction cost on borrowings	(1,501.95)
Repayment of borrowings	(305,502.41)
Repayment of Mezzanine Debt	(40,091.00)
Distributions to the unit holders	(17,797.00)
Interest paid	(13,224.39)
Net cash (used in) financing activities	**983.35**
Net increase / (decrease) in cash and cash equivalents (A+B+C) / Cash and cash equivalents as at the end of the period	**3,031.46**

Notes:

1. Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows

As per our report attached of even date

For Sharp & Tannan
Chartered Accountants
(Firm's Registration No. 003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the Board of LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust

Consolidated Statement of changes in unit holders equity for the period March 07, 2018 to March 31, 2019

Rs. Lakhs

A Unit Capital	March 07, 2018 to March 31, 2019
Issued during the period	370,000.00
At the end of the period	370,000.00

B Initial settlement amount	March 07, 2018 to March 31, 2019
Received during the period	0.10
At the end of the period	0.10

C Other Equity

	Equity component of compound financial instruments	Debenture Redemption Reserve	Capital Reserve	Retained earnings	March 07, 2018 to March 31, 2019
Additions pursuant to acquisitions of subsidiaries	28,073.85	4,008.09	-	-	32,081.94
Mezzanine debt repaid during the period	(28,073.85)	-	-	-	(28,073.85)
Debenture Redemption Reserve acquired during the period	-	-	-	-	-
Transferred to Debenture Redemption Reserve during the period	-	809.41	-	(809.41)	-
Capital reserve on consolidation	-	-	81,559.33	-	81,559.33
Profit / (Loss) for the period	-	-	-	(49,057.14)	(49,057.14)
Other comprehensive income for the period	-	-	-	23.71	23.71
Distributions made to the unit holders during the period *	-	-	-	(17,797.00)	(17,797.00)
At the end of the period	**-**	**4,817.50**	**81,559.33**	**(67,639.84)**	**18,736.99**

* The distribution relates to the distributions made during the period and does not include the distribution relating to October 01, 2018 to March 31, 2019 which will be paid after March 31, 2019. The distributions by the Trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT Regulations and hence part of the same includes repayment of capital as well.

As per our report attached of even date

For Sharp & Tannan
Chartered Accountants
(Firm's Registration No. 003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the Board of LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust

Additional disclosures as required by paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016

a. Statement of Net Distributable Cash Flows (NDCFs)

i. IndInfravit Trust

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Cash flows received from the Portfolio Assets in the form of interest	27,574.07
Cash flows received from the Portfolio Assets in the form of dividend	-
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	46.26
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust	20,110.00
Total cash inflow at the Trust level (A)	**47,730.33**
Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager and Trustee	6,195.44
Less: Repayment of external debt at the Trust level and at the level of any of the underlying portfolio assets/special purpose vehicles (excluding refinancing)	6,700.00
Total cash outflows / retention at the Trust level (B)	**12,895.44**
Net Distributable Cash Flows (C) = (A-B)	**34,834.89**
Note:	
Net Distributable Cash Flows as computed above	34,834.89
Add : Cash available for distribution from SPVs in the form of	
Interest to the Trust	-
Principal Repayment to the Trust	500.00
Net Cash available for Distribution at the Trust	35,334.89

IndInfravit Trust

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

a. Statement of Net Distributable Cash Flows (NDCFs)

ii. Beawar Pali Pindwara Tollway Limited

Rs. in Lakhs

Particulars	March 07, 2018 to March 31, 2019
Profit /(Loss) after tax as per profit and loss account (A)	**(36,560.35)**
Add: Depreciation, impairment and amortisation as per profit and loss account.	9,014.97
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(1,635.86)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	25,420.23
Add: NHAI Interest and NHAI Premium Provision	5,401.61
Add/less:Any other item of non-cash expense/ non cash income(net of actual cash flows for these items), including but not limited to	
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	(1.62)
(ii) interest cost as per effective interest rate method (difference between accrued and actual paid);	23,780.44
Less: Reserve for debentures/ loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	(1,543.34)
Less: Total NHAI Premium including interest and principal payment	(10,625.08)
Total Adjustments (B)	**49,811.35**
Net Distributable Cash Flows (C)=(A+B)	**13,251.00**
Net Distributable Cash Flows as per above	13,251.00
Proportionate principal repayment & interest payment proposed out of opening surplus	2,150.00
Proposed Total Distribution	**15,401.00**

IndInfravit Trust

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

a. Statement of Net Distributable Cash Flows (NDCFs)

iii. Devihalli Hassan Tollway Ltd

Rs. in Lakhs

Particulars	March 07, 2018 to March 31, 2019
Profit /(Loss) after tax as per profit and loss account (A)	**(1,493.66)**
Add: Depreciation, impairment and amortisation as per profit and loss account.	484.94
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(1,178.10)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	1,440.24
Add/less:Any other item of non-cash expense/ non cash income (net of actual cash flows for these items), including but not limited to	
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	0.85
(ii) interest cost as per effective interest rate method (difference between accrued and actual paid);	157.09
Total Adjustments (B)	**905.02**
Net Distributable Cash Flows (C)=(A+B)	**(588.64)**
Net Distributable Cash Flows as per above	**(588.64)**
Proportionate principal repayment & interest payment proposed out of opening surplus	342.00
Proposed Total Distribution	**342.00**

a. Statement of Net Distributable Cash Flows (NDCFs)

iv. Krishnagiri Thopur Toll Road Limited

Rs. in Lakhs

Particulars	March 07, 2018 to March 31, 2019
Profit /(Loss) after tax as per profit and loss account (A)	**3,172.62**
Add: Depreciation, impairment and amortisation as per profit and loss account.	3,592.41
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(6,615.92)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	2,418.84
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to	
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	(17.51)
(ii) interest cost as per effective interest rate method (difference between accrued and actual paid);	1,012.82
Total Adjustments (B)	**390.64**
Net Distributable Cash Flows (C)=(A+B)	**3,563.26**
Net Distributable Cash Flows as per above	**3,563.26**
Proportionate principal repayment & interest payment proposed out of opening surplus	4,924.58
Proposed Total Distribution	**8,487.84**

IndInfravit Trust

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

a. Statement of Net Distributable Cash Flows (NDCFs)

v. Krishnagiri Walajahpet Tollway Limited

Rs. in Lakhs

Particulars	March 07, 2018 to March 31, 2019
Profit /(Loss) after tax as per profit and loss account (A)	(563.30)
Add: Depreciation, impairment and amortisation as per profit and loss account	1,100.28
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(1,758.22)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	8,699.46
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to	
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	(6.71)
(ii) interest cost as per effective interest rate method (difference between accrued and actual paid);	480.62
Less: Total NHAI Premium including interest and principal payment	
Total Adjustments (B)	8,515.43
Net Distributable Cash Flows (C)=(A+B)	7,952.13
Net Distributable Cash Flows as per above	7,952.13
Proportionate principal repayment & interest payment proposed out of opening surplus	5,716.30
Proposed Total Distribution	13,668.43

IndInfravit Trust

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

a. Statement of Net Distributable Cash Flows (NDCFs)

vi. Western Andhra Tollways Limited

Rs. in Lakhs

Particulars	March 07, 2018 to March 31, 2019
Profit /(Loss) after tax as per profit and loss account (A)	1,469.39
Add: Depreciation, impairment and amortisation as per profit and loss account.	1,619.48
Add/Less: Decrease/(increase) in working capital as per Ind AS 7	(494.92)
Add: Interest accrued on loan/non-convertible debentures issued to IndInfravit	1,090.80
Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items), including but not limited to	
(i) recognised in profit and loss account on measurement of the asset or the liability at fair value;	(92.23)
(ii) interest cost as per effective interest rate method (difference between accrued and actual paid);	395.41
Total Adjustments (B)	**2,518.54**
Net Distributable Cash Flows (C)=(A+B)	**3,987.93**
Net Distributable Cash Flows as per above	**3,987.93**
Proportionate principal repayment & interest payment proposed out of opening surplus	6,296.87
Proposed Total Distribution	**10,284.80**

IndInfravit Trust

Disclosures pursuant to SEBI Circulars

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

b. Statement of net assets at Fair Value

Rs. Lakhs

Particulars	Book Value As at March 31, 2019	Fair Value As at March 31, 2019
A. Assets	872,667.54	848,570.68
B. Liabilities (at book value)	483,930.45	448,360.68
C. Net Assets (A-B)	**388,737.09**	**400,210.00**
D. Number of units (in Lakhs)	3,700.00	3,700.00
E. NAV (C/D)	**105.06**	**108.16**

c. Project-wise breakup of Fair Value of total assets

Rs. Lakhs

Name of the project	As at March 31, 2019
Western Andhra Tollways Limited	45,367.69
Krishnagiri Walajahpet Tollway Limited	183,824.24
Krishnagiri Thopur Toll Road Limited	87,684.20
Beawar Pali Pindwara Tollway Limited	472,801.56
Devihalli Hassan Tollway Limited	49,928.91
Subtotal	**839,606.60**
Assets in the Trust	8,964.08
Total Assets	**848,570.68**

d. Statement of total returns at Fair Value as at March 31, 2019

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Total Comprehensive Income (As per the Consolidated Statement of Profit and Loss)	32,525.90
Add/(less): Other Changes in Fair Value	11,472.91
Comprehensive Income	**43,998.81**

Note:

Fair value of assets as at March 31, 2019 and other changes in fair value for the period March 07, 2018 to March 31, 2019 as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under the SEBI InvIT Regulations.

As per our report attached of even date

For Sharp & Tannan
Chartered Accountants
(Firm's Registration No. 003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the Board of LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

1. Group Information and Nature of Operations

The consolidated financial statements comprise financial statements of IndInfravit Trust ("the Trust" or "InvIT") and its subsidiaries (collectively, the Group) for the period March 07, 2018 to March 31, 2019. The Trust is as irrevocable trust registered under the provisions of the Indian Trusts Act, 1882 on March 07, 2018.

It is registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 on March 15, 2018 having registration number IN/InvIT/17-18/0007. The Trust is settled by L&T Infrastructure Development Project Limited ("L&T IDPL" or the "Sponsor"), an infrastructure development company in India. The Trustee to the Trust is IDBI Trusteeship Services Limited (the "Trustee") and Investment Manager for the Trust is LTIDPL IndvIT Services Limited ("Investment Manager"). The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. All of the Trust's road projects are implemented and held through special purpose vehicles ("Project SPVs" / "Subsidiaries"). The units of the Trust were listed in Bombay Stock Exchange and National Stock Exchange on May 09, 2018.

During the period ended March 31, 2019, the Trust acquired 100% equity control in the following Project SPVs from the Sponsor with effect from May 04, 2018. These Project SPVs are developed on Build, Operate and Transfer ('BOT') and Design, Build, Operate, Finance and Transfer ('DBFOT') basis.

PROJECT SPV'S

1. Western Andhra Tollways Limited ('WATL')
2. Krishnagiri Walajahpet Tollway Limited ('KWTL')
3. Krishnagiri Thopur Toll Road Limited ('KTTL')
4. Beawar Pali Pindwara Tollway Limited ('BPPTL')
5. Devihalli Hassan Tollway Limited ('DHTL')

The Trust and the Projects SPVs are together referred to as "Group"

The registered office of the Investment Manager is Post Box No. 979, TCTC Building, 1st Floor, Mount Poonamallee Road, Manapakkam, Chennai – 600089, Tamil Nadu.

The consolidated financial statements were authorised for issue in accordance with resolution passed by the board of directors of the Investment Manager on May 16, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and presentation of financial statements

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

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

The consolidated financial statements are presented in Indian Rupee ('INR') which is the functional currency of the Group and all values are rounded to the nearest Lakhs, except when otherwise indicated.

The preparation of consolidated financial statements is in conformity with the generally accepted accounting principles in India requires the Investment Manager 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 Investment Manager's best knowledge of current events and actions, actual results could differ from these estimates.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Trust for the period March 07, 2018 to March 31, 2019 and its subsidiaries from date of acquisition.

For the purpose of consolidation, an entity which is, directly or indirectly, controlled by the Trust is treated as subsidiary. Control exists when the Trust, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Trust, directly or indirectly, obtains control over the subsidiary and ceases when the Trust, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit and loss from the date the Trust, directly or indirectly, gains control until the date when the Trust, directly or indirectly, ceases to control the subsidiary.

The consolidated financial statements of the Group combine financial statements of the Trust and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation unless the transaction provides evidence of an impairment of transferred asset. Ind AS 12 'Income Taxes' applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. Offset the carrying amount of the Trust's investment in each subsidiary and the Trust's portion of equity of each subsidiary.

The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Trust. The consolidated financial statements have been presented to the extent possible, in the same manner as Trust's standalone financial statements. Profit or loss and each component of other comprehensive income are attributed to the unit holders of the Trust and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Trust and are excluded in the consolidated financial statements from the total comprehensive income and net assets.

2.3 Business Combinations / Goodwill on consolidation

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 acquisition date fair value 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. Acquisition related costs are recognised in the statement of profit and loss as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

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 other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of gain on bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully. 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 acquire are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the consolidated statement of 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.

2.4 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.

2.5 Revenue recognition

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

Revenue is measured at the 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 collection charges from the users of the infrastructure facility constructed by the subsidiaries under the service concession arrangement is accounted for based on actual collection, net of revenue share payable under the concession agreement wherever applicable. Revenue from sale of smart cards is accounted on cash basis.

Contract revenue (construction contracts) 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 reporting date. The stage of completion of projects is determined by the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total contract costs. The Group's operations involve levying of Goods and Service Tax on the construction work. The same is not received on its own account rather, it is tax collected by the Group on value added to the commodity on behalf of the government. Accordingly, it is excluded from revenue.

Claims with National Highways Authority of India ('NHAI') and other government authorities are accounted as and when the money is received from the respective authorities, in cases of monetary compensations.

Interest Income 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 are recognised when the group's right to receive the payment is established, which is generally when shareholders of the investees approve the dividend.

Other Income

- License fees for way-side amenities are accounted on accrual basis as per the agreements / tariffs.
- Fair value gains on current investments carried at fair value are included in other income.

Other items of income are recognised as and when the right to receive arises.

2.6 Property, plant and equipment ('PPE')

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE are stated at original cost less accumulated depreciation and cumulative impairment, if any. Cost include any attributable cost of bringing the PPE to its working condition for its intended use and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and assets under construction which are not depreciated) less their residual values over their useful lives using the straight-line method. The estimated useful lives, residual values and method of depreciation are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis. The Group has estimated the following useful lives for its tangible fixed assets:

Category of Assets	Estimated useful life (in years)
Vehicles – Motor cars	5 - 7
Office equipment	
Multifunctional devices, printers, switches, projectors	4
Split AC and Window AC	4
Other office equipment	5
Plant and Machinery	
Toll equipment	7
DG sets	12
Air conditioning and refrigeration equipment	12
Furniture and fixtures	10
Buildings including ownership flats	50
Computers	
Servers and systems	6
Desktops, laptops, etc.,	3

An item of PPE 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 de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is derecognised.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

2.7 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at original cost less accumulated amortisation and cumulative impairment. Pre-operative expenses including administrative and other general overhead expenses that are specifically attributable to the development or acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development". Intangible assets are derecognised when no future economic benefits are expected from use or disposal.

2.7.1 Rights under Service Concession Arrangements - Toll Collection Rights

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build, Operate and Transfer ('BOT') and Design, Build, Operate, Finance and Transfer ('DBFOT') projects undertaken by the Group. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus obligation towards negative grants and additional concession fee payable to National Highways Authority of India ("NHAI"), if any. Till the completion of the project, the same is recognised as intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development.

The cost incurred for work beyond the original scope per concession agreements (normally referred as "Change of Scope") is capitalized as intangible asset as and when incurred. Reimbursement in respect of such amounts from NHAI are reduced from the intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation for claims made by the Group are capitalised as part of Toll Collection Rights on acceptance of the claim. Where the Group has a contractual right to an extension in the concession period as per the concession agreement, the same is capitalized when the right to extension in the concession period is established at the estimated amount of eligible claims.

2.7.2 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 toll 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.

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.

2.7.3 Amortization of toll collection rights

Toll collection rights are amortised using the straight-line method or revenue-based amortisation method as per the estimates used by the subsidiaries under the Group. Under straight line method, the toll collection rights are amortised over the period of concession. The concession period in a service concession arrangement commences from when the concessionaire has right to charge the user of infrastructure for such use to the end of the concession period.

Under revenue-based amortisation method, the toll collection rights are amortised over the period of concession. Under revenue-based amortisation method, the carrying value of the toll collection rights are amortised in the proportion of actual toll revenue for the period to projected revenue for the balance concession period, to reflect the pattern in which the assets economic benefits will be consumed. At each the end of each financial year, the projected revenue for the balance concession period is reviewed by the management of the subsidiaries. If there is any change in the projected revenue, which are expected to be permanent in nature from the previous estimates, the amortisation of toll collection rights is changed prospectively to reflect the same.

Other intangible assets - Specialized software is amortized over a period of three to six years on straight line basis from the month in which the addition is made.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the assets’ revised carrying amount over its remaining useful life.

2.8 Impairment of asset

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- in the case of an individual asset, at the higher of the net selling price and the value in use; and
- in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit’s net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the respective subsidiaries suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

2.9 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences, long service awards and post-employment medical benefits.

2.9.1 Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service.

2.9.2 Post-employment benefits

Defined contribution plan:

The Group's state governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

Defined benefit plan:

The employees' gratuity fund scheme is the Group's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. The interest element in the actuarial valuation of defined benefit plans, which comprises the implicit interest cost and the impact of changes in discount rate, is classified as employee benefit expenses in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense at the ear lier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

2.9.3 Other long-term employee benefits

The present value of the obligation under long term employee benefit plans such as compensated absences and liability under Retention Pay Scheme is determined and is recognised in a similar manner as in the case of defined benefit plans.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in long term employee benefit cost is recognised in the Statement of Profit and Loss under finance cost.

2.9.4 Termination benefits

Termination benefits such as compensation under employee separation schemes are recognised as expense and a liability is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.10 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.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.11 Financial instruments

Financial assets and/or financial liabilities are recognised when the Group becomes party to a contract embodying the related financial instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

2.11.1 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)

Financial assets at amortised cost

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

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

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

This category is the most relevant to the Group. 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 Other Comprehensive Income (FVTOCI) / Statement of Profit and Loss (FVTPL)

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

- the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- the asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the 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 Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

All investments in scope of Ind AS 109 are measured at fair value. The Group has investment in debt oriented mutual funds which are held for trading, are classified as at FVTPL. The Group 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.

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 management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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

Original Classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous 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.
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in other comprehensive income. No Change in FIR due to reclassification
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. However cumulative gain or loss in other comprehensive income 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 other comprehensive income is reclassified to statement of profit and loss at the reclassification date.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (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.

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, as per Ind AS 109, the Group recognizes twelve months 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.

2.11.2 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 Group's financial liabilities include trade and other payables, borrowings and bank overdrafts

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

Financial liabilities at Fair Value Through Profit or Loss (FVTPL) 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. 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 Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

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.

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.

2.12 Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Group 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 Group 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 Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group 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 Board of Directors of the 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.

2.13 Cash and cash equivalents

Cash and cash equivalents in the consolidated 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 consolidated 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.

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

2.15 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 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 the Statement of Profit and 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.

2.16 Taxes

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

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

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

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

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income 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.

2.17 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 reasonably certain. The expense relating to a provision is presented in the consolidated 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.

2.18 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 asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

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

2.19 Premium Deferment

Premium Deferral (i.e., premium payable less paid after adjusting premium deferment) is aggregated under premium deferred obligation in the consolidated 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 consolidated Statement of Profit and Loss.

2.20 Major Maintenance expenses

As per the concession agreements, the Group is obligated to carry out major maintenance of the roads under concession. The Group estimates the likely provision required towards the same and accrues the cost on a straight-line basis over the period at the end of which maintenance would be required, in the consolidated Statement of Profit and Loss

2.21 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- funding related commitment to subsidiary companies; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to services to be rendered / procurements made in the normal course of business are not disclosed to avoid excessive details

2.22 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables, transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

2.23 Government Grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets.

2.24 Contributed Equity

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

2.25 Distributions 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 SEBI 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.

2.26 Earnings per Unit (EPU)

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

2.27 Goods and Service taxes (GST) paid on acquisition of assets or on incurring expense

Expenses and assets are recognised net of the amount of GST 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.

2.28 Key Sources of Estimation

The preparation of financial statements in conformity with Ind AS requires the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

2.29 Standard issued but not effective

Ind AS 116 'Leases'

This standard was notified on March 30, 2019 and it replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of lease transactions and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from the current accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases. The Group intends to adopt this standard, if applicable, when it becomes effective. As the Group does not have any material leases, the adoption of this standard is not likely to have a material impact on its consolidated financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ind AS 12 Appendix C 'Uncertainty over Income Tax Treatments' has been notified which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, entities need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the entities have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group will adopt the standard on April 1, 2019. The effect on adoption of Ind AS 12 Appendix C would not be material on the consolidated financial statements of the Group.

Amendment to Ind AS 19 - plan amendment, curtailment or settlement

On March 30, 2019, amendments to Ind AS 19, 'Employee Benefits' was notified, in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity (a) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and (b) to recognise in the consolidated Statement of Profit and Loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The amendment does not have any material impact on the consolidated financial statements of the Group as at present the Group do not have employees and the employee benefits to employees of subsidiaries are not material and no changes to the retirement benefit plans are foreseen.

3 Property, Plant and Equipment

Rs. Lakhs

Particulars	Cost				Depreciation				Book Value
	Additions on Acquisition	Additions	Deductions	As at March 31, 2019	Addition on Acquisition	For the period	Deductions	As at March 31, 2019	As at March 31, 2019
Owned									
Land	38.10	-	-	38.10	-	-	-	-	38.10
Building	38.85	-	-	38.85	6.31	0.75	-	7.06	31.79
Plant and Equipment	612.01	119.93	0.05	731.89	424.99	42.71	0.05	467.65	264.24
Furniture and fixtures	127.85	-	1.77	126.08	49.13	15.30	1.77	62.66	63.42
Vehicles	424.41	27.90	96.81	355.50	240.98	56.57	92.86	204.69	150.81
Office equipment	129.55	16.80	0.12	146.23	61.09	22.55	0.12	83.52	62.71
Electrical installations	3.32	-	-	3.32	1.68	0.47	-	2.15	1.17
Computers, laptops and printers	61.29	17.03	17.84	60.48	24.54	18.46	12.49	30.51	29.97
Total	**1,435.38**	**181.66**	**116.59**	**1,500.45**	**808.72**	**156.81**	**107.29**	**858.24**	**642.21**

4 Capital work-in-progress

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019		
	Additions	Deductions	As at March 31, 2019
Furniture and fixtures	2.97	-	2.97
Total	**2.97**	**-**	**2.97**

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

5 Intangible Assets

Rs. Lakhs

Particulars	Cost				Depreciation				Book Value
	Additions on Acquisition	Additions	Deductions	As at March 31, 2019	Additions on Acquisition	For the period	Deductions	As at March 31, 2019	As at March 31, 2019
Toll collection rights	878,999.11	42.38	23,376.01	855,665.48	68,999.30	27,968.99	-	96,968.29	758,697.19
Specialised Software	16.37	4.56	-	20.93	16.37	1.40	-	17.77	3.16
Total	**879,015.48**	**46.94**	**23,376.01**	**855,686.41**	**69,015.67**	**27,970.39**	**-**	**96,986.06**	**758,700.35**

6 Intangible assets under development

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019			
	Additions on Acquisition	Additions	Deductions	As at March 31, 2019
Specialised Software	625.84	179.61	640.38	165.07
Total	**625.84**	**179.61**	**640.38**	**165.07**

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019 Rs. Lakhs

7 Other non-current financial assets	As at March 31, 2019
Unsecured, considered good	
Security deposits	67.72
Other Bank Balances	2.55
	70.27

8 Other non-current assets	As at March 31, 2019
Advance other than capital advances	
Advances to employees	0.45
Other advances	40.68
Advance recoverable other than in cash	
Balances with government authorities	207.53
Income tax net of provisions	2,236.96
	2,485.62

9 Investments	As at March 31, 2019
Investments at fair value through profit and loss	
Investments in Mutual funds	24,530.55
	24,530.55

10 Cash and cash equivalents	As at March 31, 2019
Cash on hand	693.73
Balances with banks in current accounts	775.70
Term deposits with banks including interest accrued thereon (original maturity of less than three months)	1,562.03
	3,031.46

11 Other bank balances	As at March 31, 2019
Term deposits with banks including interest accrued thereon (original maturity of more than 3 months and less than 12 months)	5.20
	5.20

Rs. Lakhs

12 Other current financial assets	As at March 31, 2019
Unsecured, considered good	
Dues recoverable from EPC contractor	179.12
Receivable from NHAI	4,048.07
Other receivables	406.67
	4,633.86

13 Other current assets	As at March 31, 2019
Advance other than capital advances	
Advances to suppliers / service providers	29.25
Advances to related parties	50.09
Other advances	100.92
Advance recoverable other than in cash	
Prepaid Insurance	152.76
Prepaid expenses	4.65
Balances with government authorities - GST	757.76
	1,095.43

14 Equity

Unit Capital and initial settlement amount

Particulars	As at March 31, 2019
Initial settlement amount	0.10
37,00,00,000 units (issue price : Rs. 100 per unit)	370,000.00
	370,000.10

Rights of Unitholders

The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the SEBI InvIT Regulations. The Investment Manager approves the distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays its distributions in Indian rupees.

A Unitholder has no equitable or proprietary interest in the projects of the Trust and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

Reconciliation of the number of units outstanding and the amount of unit capital

	March 07, 2018 to March 31, 2019	
	No. of Units	Rs. Lakhs
At the beginning of the period	-	-
Issued during the period as fully paid	3,700.00	370,000.00
At the end of the period	3,700.00	370,000.00

Rs. Lakhs

15 Borrowings	As at March 31, 2019
Secured borrowings	
a) Term loans From banks	55,622.88
b) Non Convertible Debentures	34,586.00
	90,208.88
Details of Secured borrowings	
i) Term loans from banks	56,622.88
ii) Non Convertible Debentures	35,212.00
	91,834.88
Less: Current maturities (Refer note 20)	1,626.00
Non-current borrowings	90,208.88

i) Term loans from banks

a) The loans are secured by first charge on escrow accounts and on receivables of the Trust arising out of principal and interest payment of the loans given by the Trust to its subsidiaries.

b) Interest rates on the term loan from bank is Marginal Cost of fund based lending rate (MCLR) applicable on such anniversary date i.e., 8.30% p.a.. The loans are repayable in unstructured quarterly instalment as per the repayment schedule specified in loan agreement with the lender.

ii) Non Convertible Debentures

a) First charge by way of hypothecation on all movable/immovable assets of KTTL, WATL and DHTL both present and future, excluding project assets which is not allowed as per concession agreements

b) First charge on KTTL, WATL and DHTL book debts, operating cash flows, receivables, commissions, insurance proceeds, revenues of whatsoever nature and wherever arising, present and future.

c) Assignment of all the rights, title, interest, benefits, claims and demands, whatsoever of the KTTL, WATL and DHTL.

d) Escrow account to the extent of waterfall of priorities of payment as permitted to the lenders under Escrow Agreement.

e) Debt Service Coverage Ratio Support Amount.

f) First charge of all the KTTL, WATL and DHTL's rights, interests related to the proposed project under the letter of credit (if any), guarantee or performance bond provided by any party.

g) Interest rates varies from 9.5% to 9.75% p.a.

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

Rs. Lakhs

16 Other non-current financial liabilities	As at March 31, 2019
Deferred Payment Liability *	268,919.67
Interest accrued on Deferred Payment Liability *	10,878.88
Deposits received	5.76
	279,804.31

* National Highways Authority of India has approved deferment of premium obligation which carries interest @ 2% above the Reserve Bank of India bank Rate. The repayment is in accordance with the cash surplus accruing to the BPPTL over the concession period.

17 Provisions - non-current	As at March 31, 2019
Provisions for major maintenance expenses	18,039.34
Provision for employee benefits	20.70
	18,060.04

18 Other non-current liabilities	As at March 31, 2019
Company owned car scheme	13.65
	13.65

19 Trade Payables	As at March 31, 2019
Due to micro and small enterprises	631.90
Due to others	1,636.00
	2,267.90

20 Other current financial liabilities	As at March 31, 2019
Current maturities of long term borrowings	1,626.00
Current maturities of deferred payment liabilities	9,768.67
Due to related parties	130.93
Deposits received	41.23
Interest accrued on Debentures	9.27
Other liabilities	
Creditors for capital supplies	17,198.43
Revenue share payable to NHAI	1,037.68
Others	10,609.49
	40,421.70

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

Rs. Lakhs

21 Provisions - current	As at March 31, 2019
Provision for employee benefits	18.44
Provisions for major maintenance expenses	6,576.72
	6,595.16

22 Other current liabilities	As at March 31, 2019
Statutory dues payable	272.22
	272.22

23 Revenue from operations	March 07, 2018 to March 31, 2019
Toll Collections	82,632.47
Less : Revenue share to NHAI	(5,359.33)
	77,273.14

24 Other income	March 07, 2018 to March 31, 2019
Interest income from:	
Bank deposits	121.78
Others	0.14
Liabilities no longer required written back	22.35
Net gain/(loss) on sale of investments	1,630.44
Net gain/(loss) on financial assets designated at FVTPL	137.63
Profit on disposal of property, plant and equipment	0.83
Lease rental income	84.13
Miscellaneous income	116.21
	2,113.51

25 Operating expenses	March 07, 2018 to March 31, 2019
Toll Management fees	1,823.15
Repairs and maintenance	
Toll road & bridge	3,077.57
Property, Plant & Equipment	475.46
Periodic major maintenance	7,024.49
Others	882.22
Power and fuel	958.15
	14,241.04

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

Rs. Lakhs

26 Employee benefit expenses	March 07, 2018 to March 31, 2019
Salaries, wages and bonus	777.54
Contributions to and provisions for provident and other funds	
Provident fund	42.67
Gratuity	16.93
Compensated absences	6.39
Retention pay	(26.08)
Staff welfare expenses	184.86
	1,002.31

27 Finance costs	March 07, 2018 to March 31, 2019
Interest on borrowings	10,186.50
Interest others	15.60
Other borrowing cost	6,053.34
Unwinding of discount and implicit interest expense on fair value	25,706.06
	41,961.50

28 Administration and other expenses	March 07, 2018 to March 31, 2019
Rent, Rates and taxes	33.72
Payments to auditors	81.94
Professional fees	2,088.37
Postage and communication	66.07
Printing and stationery	37.43
Travelling and conveyance	298.88
CSR expenses	57.35
Bank charges	46.54
Repairs and Maintenance - Others	56.59
Loss on disposal of property, plant and equipment	587.97
Miscellaneous expenses	128.98
	3,483.84

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

Rs. Lakhs

29 Deferred tax liabilities (net)	As at March 31, 2019
Deferred tax liability (Net) on the Fair Value gain on Asset Acquisition	46,189.77
Deferred tax liability (Net)	**46,189.77**

The major components of income tax expenses for the period

	March 07, 2018 to March 31, 2019
Current tax	1,170.36
Deferred tax	(3,835.49)
	(2,665.13)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	March 07, 2018 to March 31, 2019
Accounting profit before income tax	(51,722.27)
Tax at India's statutory income tax rate of 34.944%	(18,073.83)
Impact of exemption u/s 10(23FC) of the Indian Income Tax Act, 1961 available to the Trust	(11,341.72)
Effect of items taxed at a lower rate	(677.06)
Deferred tax asset not recognised on losses	27,427.47
At effective tax rate	(2,665.13)
Income tax expense reported in the statement of profit and loss	**(2,665.13)**

30 Contingent liabilities	As at March 31, 2019
a) Negative change of scope (net of positive change of scope) - KWTL	11,755.22
b) Disputed penalty towards delay in execution of the major maintenance works, claimed by the NHAI - (WATL)	1,470.14
c) Claims made by NHAI for non-maintenance of Highway as per concession agreement- KTTL	1,343.45
d) Clause 26.3 of the Concession Agreement, NHAI's demand of additional concession fee - KWTL	478.00
e) Income tax liability that may arise in respect of which is under Appeal - DHTL	33.87
f) Guarantee to Telecom Department - KTTL	1.00

31 Commitments	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	527.53

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

32 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

The primary business of the Group is operating toll road projects 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. Further, the entire operations of the Group is only in India and hence, disclosure of secondary/geographical segment information does not arise. Accordingly, giving disclosures under Ind AS 108 does not arise.

33 Disclosure pursuant to Ind AS 33 "Earnings per Share"

Basic and Diluted Earnings per Unit ('EPU') computed in accordance with Ind AS 33 "Earnings per Share".

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Profit / (loss) after tax (A)	(49,057.14)
Weighted average number of units (B)	3,700.00
Earnings Per Unit (In Rs.) (A/B)	**(13.26)**
Face value per Unit (In Rs.)	100.00

34 Disclosure pursuant to Ind AS 36 "Impairment of Assets"

a) Based on a review of the future discounted cash flows of the intangible assets at the subsidiaries (Toll Collection Rights), the recoverable amount is higher than the carrying amount and hence no provision for impairment is required for the period.

b) Goodwill amounting to Rs. 1,16,395.83 lakhs arising out of business combination of BPPTL (refer note 41) has been tested for impairment on March 31, 2019 on the basis of independent valuer's report, and an impairment of Rs. 39,091.28 lakhs has been recognized.

35 Disclosures as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent assets"

a) Nature of provisions

The subsidiaries are required to operate and maintain the project tollway during the entire concession period and hand over the project back to NHAI as per the maintenance standards prescribed in concession agreements. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally, periodic maintenance includes resurface of pavements, repairs of structures and other equipment and maintenance of service roads.

As per industry practice, the periodic maintenance is expected to occur once in five to seven years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly, on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expense is reviewed and is provided for in the financial statements in each reporting period. Considering that the expense to be incurred is depended on various factors including the usage, wear and tear of the toll road, bituminous overlay, etc., it is not possible to estimate the exact timing and the quantum of the cashflow

b) Movement in provisions - Major maintenance expenses

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Addition on acquisition of subsidiaries	25,285.79
Additional provision made during the period	7,024.49
Utilisation of provision during the period	(9,971.64)
Increase in discounted amount due to passage of time and changes in discount rate	2,277.42
Carrying amount as at the end of the period	24,616.06

36 Details of dues to micro and small enterprises as per MSMED Act, 2006

The Group has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as on March 31, 2019. The disclosure pursuant to the said Act is as under:

Rs. Lakhs

	Particulars	March 07, 2018 to March 31, 2019
(i)	Principal amount remaining unpaid to any supplier at the end of period	631.90
(ii)	Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of period	-
(iii)	Payment amount made to the supplier (other than interest) beyond the appointed day during the period	604.21
(iv)	Interest amount paid by the buyer in terms of section 16 of the MSMED Act, 2006	-
(v)	Interest amount paid by the buyer under MSMED Act, 2006 (other than Section 16)	-
(vi)	Interest amount 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 Act, 2006	15.60
(vii)	Interest amount accrued and remaining unpaid at the end of the period	15.60
(viii)	Further interest amount remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-

37 Disclosure pursuant to Ind AS 17 "Leases"

The Group has given some properties on operating lease. The leases are cancellable at the option of either of the parties. There are no exceptional / restrictive covenants in the lease agreements. The Group has also given the way-side amenities on rent for commercial operations.

The Group has taken certain office premises and residential premises under cancellable operating lease. These agreements are normally renewed on expiry and there are no restrictions imposed by the lease arrangements. Lease rental expenses for the period is Rs. 11.94 Lakhs is charged to the Consolidated Statement of Profit and Loss.

Contingent rent recognised in the Consolidated Statement of Profit and Loss for the period is Rs. NIL

The Group has not acquired any assets either under Finance lease or under Operating lease other than above. Hence disclosures under the Ind AS are not applicable.

38 Disclosure pursuant to Ind AS 19 "Employee benefits"

(i) Defined contribution plan

The Group's provident fund and super annuation fund are the defined contribution plans. The Group is required to contribute a specified percentage of payroll costs to the recognised provident fund and Life Insurance Corporation of India respectively to fund the benefits. The only obligation of the Group with respect to these plans is to make the specified contributions.

An amount of Rs. 42.67 Lakhs being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 26) in the Consolidated Statement of Profit and Loss.

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

(ii) Defined benefit plans:

a) Features of its defined benefit plans:

Gratuity:

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Plan Features

i	Benefits offered	15/ 26 × Salary × Duration of Service
ii	Salary definition	Basic Salary including Dearness Allowance (if any)
iii	Benefit ceiling	Benefit ceiling of Rs. 20,00,000 was not applied
iv	Vesting conditions	5 years of continuous service (Not applicable in case of death/disability)
v	Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
vi	Retirement age	58 Years

b) The Group operates gratuity plan through LIC's Group Gratuity scheme where every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

c) Major risks to the plan

A Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to adverse salary growth experience, variability in mortality rates or variability in withdrawal rates.

B Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C Liquidity Risk:

Employees with high salaries and long duration or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Group there can be strain on the cash flows.

D Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The Government may amend the Payment of Gratuity Act thus requiring the Companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

d) The amounts recognised in Balance Sheet are as follows

Rs. Lakhs

Particulars	Gratuity plan As at March 31, 2019
Present value of defined benefit obligation	
- Wholly funded	90.47
- Wholly unfunded	-
	90.47
Less : Fair value of plan assets	100.00
Net Liability / (asset)	**(9.53)**
Amounts reflected in the Balance Sheet	
Net (Asset) / Liability - Current	-
Net (Asset) / Liability - Non-Current	(9.53)

e) The amounts recognised in the Statement of Profit or loss are as follows

Particulars	Gratuity plan March 07, 2018 to March 31, 2019
Current service cost	16.81
Net interest on defined benefit obligation	1.10
Expected return on plan assets	-
Expenses deducted from the fund	0.27
Total Charge to Statement of Profit or Loss	**18.18**

f) Remeasurement recognized in other comprehensive income

Particulars	Gratuity plan March 07, 2018 to March 31, 2019
Components of actuarial gain/losses on obligations:	
Due to changes in financial assumptions	1.06
Due changes in experience adjustments	(26.78)
Return on plan assets excluding amounts included in interest income	2.02
Amounts recognized in Other Comprehensive Income	**(23.70)**

g) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows

Rs. Lakhs

	Gratuity plan As at March 31, 2019
Opening balance of the present value of defined benefit obligation	-
Addition on Acquisition of subsidiaries	93.64
Add: Current service cost	16.81
Add: Interest cost	6.48
Add/(less): Actuarial losses/(gains)	(25.72)
Less: Benefits paid	(0.73)
Closing balance of the present value of defined benefit obligation	**90.48**

h) The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows

Particulars	Gratuity plan As at March 31, 2019
Opening balance of fair value of plan assets	-
Addition on Acquisition of subsidiaries	70.11
Expenses deducted from the fund	(0.27)
Interest Income	5.38
Return on plan assets excluding amounts included interest income	(2.02)
Contribution by employer	27.53
Contribution by plan participants	-
Benefits paid	(0.73)
Closing value of plan assets	**100.00**

i) Reconciliation of Net Defined Benefit Liability

Particulars	Gratuity plan As at March 31, 2019
Net opening provision in books of accounts	-
Addition on Acquisition of subsidiaries	23.52
Employee Benefit Expense	18.18
Amounts recognized in Other Comprehensive Income	(23.70)
	18.00
Benefits paid	-
Contributions to plan assets	(27.53)
Closing provision in books of accounts	**(9.53)**

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

j) Principal actuarial assumptions at the Balance Sheet date

Particulars	As at March 31, 2019
Discount rate	7.15%
Salary growth rate	6.00%
Attrition rate	3% - 15%
Expected rate of return	7.15%
Mortality rates	Indian Assured Lives Mortality (2006-08) Table

k) Sensitivity analysis - Gratuity plan

Particulars	As at March 31, 2019	
	Change %	Obligation Rs. Lakhs
Discount Rate	0.50%	90.17
	-0.50%	91.03
Salary Growth Rate	0.50%	94.20
	-0.50%	86.96

l) The major components of plan assets as a percentage of total plan assets are as follows

Particulars	Gratuity As at March 31, 2019
Insurer managed funds	100%
Total	**100%**

m) Maturity analysis of expected benefit payments

Particulars	Cash flows Rs. Lakhs
2020	9.36
2021	8.45
2022	8.14
2023	7.85
2024	7.36
2025-2029	42.37

The future accrual is not considered in arriving at the above cash flows.

IndInfravit Trust
Notes to Consolidated Financial Statements for the period ended March 31, 2019

39 **Disclosure pursuant to Ind AS 23 "Borrowing Costs"**
Borrowing cost capitalised during the period is Rs. Nil

40 **Statement of Related Party Transactions**
I **List of related parties as per Regulation 2(1)(zv) of the SEBI InvIT Regulations**
A. **Parties to the Trust**

L&T Infrastructure Development Projects Limited (L&T IDPL) - Project Manager & Sponsor of the IndInfravit

LTIDPL IndvIT Services Limited (LTIDPL IndvIT) - Investment Manager (IM) of the IndInfravit
IDBI Trusteeship Services Limited (ITSL) - Trustee of IndInfravit

B. **Promoters of the parties to the Trust specified in I (A) above**

Larsen & Toubro Limited (L&T) - Promoter of L&T IDPL

L&T Infrastructure Development Projects Limited (L&T IDPL) - Promoter of LTIDPL IndvIT
IDBI Bank Limited (IDBI Bank) - Promoter of ITSL

C **Directors of the parties to the Trust specified in I (A) above**
(i) **Directors of L&T IDPL**
Mr. R. Shankar Raman
Mr. Shailesh K. Pathak
Mr. Sudhakar Rao
Mr. Vinayak Laxman Patankar
Mr. Vikram Swinder Gandhi
Mr. T.S.Venkatesan
Mrs. Vijayalakshmi Rajaram Iyer

(ii) **Directors of LTIDPL IndvIT**
Mr. Nasim Zaidi
Mr. Mohanraj Narendranathan Nair
Mr. Ashwin Mahalingam
Mrs .Samyuktha Surendaran
Mrs. Monisha Prabhu Macedo
Mr. T.S.Venkatesan
Mr. Chandra Shekhar Rajan (till January 16, 2019)
Mr. Vipul Chandra (till February 26, 2019)
Mr. Pushkar Vijay Kulkarni
Mr. Igor Emil Lukin

(iii) **Directors of ITSL**
Mr. Gurudeo Madhukar Yadwadkar
Mr. Ravishankar G Shinde
Ms. Madhuri J Kulkarni
Ms. Sashikala Muralidharan
Mr. Saurabh Chandra
Mr. Swapan Kumar Bagchi
Mr. K R Vishwanath

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

40 Statement of Related Party Transactions

II. Transactions with related parties during the period

S. No	Particulars	Relation	Rs. Lakhs
1	**Investment Manager Fee - Expense**		
	LTIDPL IndvIT Services Limited	Investment Manager	671.92
2	**Trusteeship Fee - Expense**		
	ITSL	Trustee of IndInfravit	24.37
3	**a. Purchase of Equity Shares of Project SPVs**		
	L&T IDPL	Sponsor & Project Manager	90,907.59
	b. Issue of unit capital towards purchase of equity shares		
	L&T IDPL	Sponsor & Project Manager	55,500.00
	c. Payment against purchase of equity shares		
	L&T IDPL	Sponsor & Project Manager	35,407.59
4	**Distribution**		
	L&T	Promoter of the Sponsor	3,184.22
	L&T IDPL	Sponsor & Project Manager	2,669.55
			5,853.77
5	**Purchase of goods and services incl. taxes, if any**		
	L&T	Promoter of the Sponsor	34.46
	L&T IDPL - Project Manager fees	Sponsor & Project Manager	1,605.20
	L&T IDPL - Other service fees	Sponsor & Project Manager	664.28
			2,303.94
6	**Reimbursement of expenses to**		
	L&T	Promoter of the Sponsor	70.47
	L&T IDPL	Sponsor & Project Manager	0.03
7	**Receipt on behalf of related party**		
	L&T IDPL	Sponsor & Project Manager	171.63
8	**Reimbursement of expenses from**		
	L&T	Promoter of the Sponsor	0.18
	L&T IDPL	Sponsor & Project Manager	4.51
9	**Sale of Property, Plant & Equipment**		
	L&T IDPL	Sponsor & Project Manager	0.67
10	**Unsecured loan repayment including interest accrued**		
	L&T IDPL	Sponsor & Project Manager	38,859.32
11	**Interest expense on unsecured loan**		
	L&T IDPL	Sponsor & Project Manager	2.01

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

40 Statement of Related Party Transactions

III Outstanding balances as at March 31, 2019

S. No	Particulars	Relation	Rs. Lakhs
1	**Investment Manager Fee - Payable**		
	LTIDPL IndvIT Services Limited	Investment Manager	130.93
2	**Trusteeship Fee - Payable**		
	ITSL	Trustee of IndInfravit	-
3	**Other payable**		
	L&T IDPL	Sponsor & Project Manager	232.14
	L&T	Promoter of the Sponsor	47.20
			279.35
4	**Other receivable**		
	L&T IDPL	Sponsor & Project Manager	28.81
	L&T	Promoter of the Sponsor	2.75
			31.56

41 Disclosures pursuant to Ind AS 103 "Business Combinations"

a) Acquisition of subsidiaries

i) Pursuant to the Share Purchase Agreements dated April 25, 2018, the Trust acquired the entire equity share capital of the WATL, KWTL, KTTL, DHTL and BPPTL (together referred as 'Project SPVs') on May 4, 2018, the acquisition date, for an equity consideration of Rs. 90,907.59 lakhs. Accordingly, the financial statements of the aforesaid subsidiaries for the period May 4, 2018 to March 31, 2019 have been considered in the consolidated financial statements of the Group. The funding for the said acquisition was raised through private placement of units of the Trust. The Group has carried out a fair valuation of the net assets of the Project SPVs and accordingly the goodwill / gain from bargain purchase has been recorded in the consolidated financial statements.

IndInfravit Trust
Notes to Consolidated Financial Statements for the period ended March 31, 2019

ii) Assets acquired and liabilities recognised on the date of acquisition are as follows

Rs. Lakhs

	Particulars	WATL	KWTL	KTTL	DHTL	BPPTL
	Non current assets					
(a)	Property, plant and equipment	71.00	91.00	84.00	167.09	212.00
(b)	Intangible assets - Other than TCR	-	611.00	-	-	-
(c)	Intangible assets - TCR	49,500.00	193,900.00	111,200.00	53,900.00	401,500.00
(d)	Intangible assets under development	-	-	-	-	15.00
(e)	Financial assets	14.00	0.89	9.00	10.00	13.00
(f)	Other non-current assets	152.00	1,369.00	416.00	45.00	320.00
(g)	Deferred Tax Asset	-	-	-	-	18,571.80
		49,737.00	**195,971.89**	**111,709.00**	**54,122.09**	**420,631.80**
	Current assets					
(a)	Investments	9,014.00	3,056.00	7,858.02	50.00	-
(b)	Cash and bank balances	883.00	427.00	306.00	189.00	1,334.00
(c)	Other financial assets	238.00	482.00	295.66	92.00	1,543.00
(d)	Current tax assets (net)	-	5.00	-	-	47.00
(e)	Other current assets	34.00	30.00	77.06	95.00	-
		10,169.00	**4,000.00**	**8,536.74**	**426.00**	**2,924.00**
	Total Assets	**59,906.00**	**199,971.89**	**120,245.74**	**54,548.09**	**423,555.80**
	Non current liabilities					
(a)	Borrowings					
	(i) Term loans from banks	-	-	32,051.78	10,624.00	167,426.00
	(ii) Debentures	9,300.00	-	-	15,952.00	-
	(iii) Mezzanine Debt	-	-	-	-	41,768.85
	(iv) Deferred payment liabilities	-	-	-	-	272,971.00
(b)	Other Financial liabilities	3.00	-	-	-	6,358.10
(c)	Other non current liabilities	-	-	-	-	1.00
(d)	Provisions	4,639.44	5,600.96	7,287.00	1,736.15	5,930.00
(e)	Deferred Tax Liability	10,891.92	27,356.27	26,644.26	5,704.61	-
		24,834.36	**32,957.23**	**63,983.04**	**34,016.76**	**494,454.95**
	Current liabilities					
(a)	Borrowings	-	472.00	-	1,479.00	1,300.00
(b)	Trade payables	160.00	260.00	111.00	77.00	589.00
(c)	Other financial liabilities	12,371.00	93,022.84	7,610.16	1,213.00	28,835.68
(d)	Other current liabilities	13.00	22.00	10.22	16.00	41.00
(e)	Current tax liabilities (net)	50.00	-	24.00	-	-
(f)	Provisions	8.00	37.96	144.13	4.00	31.00
(g)	Other Statutory Reserves	1,515.59	-	2,492.50	-	-
		14,117.59	**93,814.80**	**10,392.01**	**2,789.00**	**30,796.68**
	Total Liabilities	**38,951.95**	**126,772.03**	**74,375.05**	**36,805.76**	**525,251.63**
	Net assets Acquired	**20,954.05**	**73,199.86**	**45,870.69**	**17,742.33**	**(101,695.83)**

IndInfravit Trust
Notes to Consolidated Financial Statements for the period ended March 31, 2019

41 Disclosures pursuant to Ind AS 103 "Business Combinations"

iii) Calculation of Goodwill / (Capital Reserve)

Rs. Lakhs

Particulars	WATL	KWTL	KTTL	DHTL	BPPTL
Purchase consideration:	11,097.76	31,633.94	23,975.89	9,500.00	14,700.00
Less : Fair Value of Net Assets Acquired	20,954.05	73,199.86	45,870.69	17,742.33	(101,695.83)
Goodwill/(Gain on bargain purchase)	**(9,856.29)**	**(41,565.92)**	**(21,894.80)**	**(8,242.33)**	**116,395.83**

iv) Gain on bargain purchase amounting to Rs. 81,559.33 Lakhs has been accounted in Other Comprehensive Income.

v) Entity wise Revenue and Profit after tax from the date of acquisition till March 31, 2019

Rs. Lakhs

Particulars	WATL	KWTL	KTTL	DHTL	BPPTL
Revenue	7,532.69	15,410.03	14,748.55	4,163.33	35,418.54
Profit After Tax	1,469.40	(563.28)	3,172.61	(1,493.67)	(36,560.35)

vi) Entity wise Revenue and Profit after tax for the financial year 2018-19

Rs. Lakhs

Particulars	WATL	KWTL	KTTL	DHTL	BPPTL
Revenue	8,205.51	16,790.02	16,029.37	4,511.05	38,657.55
Profit After Tax	1,620.80	(250.34)	3,456.95	(1586.81)	(39,023.75)

42 Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

(a) Details of Contract Revenue

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Contract Revenue recognised for the period	2,840.48
Aggregate amount of contract costs incurred and recognized profits (less recognized losses) as at the end of the period for all contracts in progress as at that date	2,844.65
Amount of customer advances outstanding for contracts in progress as at end of the period	975.58
Retention amounts due from customers for contracts in progress as at end of the period	244.22

(b) Movement of Contract Balances during the period

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Opening Order Book - on Acquisition of Assets	6,069.95
Order inflow during the period	3,126.58
Sales recognised during the period	2,840.48
Closing Order Book	6,356.05

(c) Remaining Performance obligations

Rs. Lakhs

Particulars	Total	Conversion into revenue		
		< 1 Year	1 - 2 years	> 2 years
Order Book to Revenue	6,356.05	6,356.05	-	-

(d) Disclosure under Appendix - C & D to Ind AS 115 - " Service Concession Arrangements"

All the below service concession arrangement have been accounted under intangible asset model

S. No.	Name of Concessionaire	Start of Concession period under concession agreement (Appointed Date)	End of Concession period under concession agreement	Period of Concession Since the appointed date	Construction Completion date or Scheduled Construction Completion date under the concession agreement, as applicable
1	Western Andhra Tollways Limited	August 20,2006	August 19,2026	20 Years	March 14, 2009
2	Krishnagiri Walajahpet Tollway Limited	June 07, 2011	June 06, 2041	30 Years	December 04, 2013
3	Krishnagiri Thopur Toll Road Limited	July 17, 2006	July 30, 2026	20 Years	February 07, 2009
4	Devihalli Hassan Tollway Limited	October 14, 2010	October 13, 2040	30 Years	October 06, 2015
5	Beawar Pali Pindwara Tollway Limited	December 19, 2011	December 18, 2034	23 Years	June 11, 2015

(i) The above BOT/DBFOT projects shall have following rights / obligations in accordance with the Concession Agreement entered into with the respective Government Authorities

a. Right to use the Specified Assets
b. Obligations to provide or rights to except provision of services
c. Obligations to deliver or rights to receive at the end of concession

(ii) The actual concession period may vary based on terms of the respective concession agreements

43 Financial Instruments

Disclosure of Financial Instruments by Category

Rs. Lakhs

Financial instruments by categories	As at March 31, 2019		
	FVTPL	FVTOCI	Amortized Cost
Financial assets			
Investments	24,530.55	-	-
Cash and cash equivalents	-	-	3,031.46
Other bank balances	-	-	5.20
Other Financial Assets	-	-	4,704.13
Total Financial Asset	**24,530.55**	-	**7,740.79**
Financial liabilities			
Borrowings (incl. current maturities and interest accrued)	-	-	91,834.88
Other Financial Liabilities	-	-	318,600.01
Trade Payables	-	-	2,267.90
Total Financial Liabilities	-	-	**412,702.79**

Default and breaches

There are no defaults during the period with respect to repayment of principal and payment of interest and no breaches of the terms and conditions of the borrowings.

There are no breaches during the period which permitted lender to demand accelerated payment.

44 Fair value measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	As at March 31, 2019	
	Carrying Amount	Fair Value
Financial Assets		
Cash and cash equivalents	3,031.46	3,031.46
Other bank balances	5.20	5.20
Other Financial Assets	4,704.13	4,704.13
Total Financial Assets	**7,740.79**	**7,740.79**
Financial liability		
Borrowings (incl. current maturities and interest accrued)	91,834.88	91,834.88
Other Financial Liabilities	318,600.01	318,600.01
Trade Payables	2,267.90	2,267.90
Total Financial Liabilities	**412,702.79**	**412,702.79**

The Group assessed that fair values of cash and cash equivalents, other bank balances, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The Group has further assessed that borrowings availed in the form of non convertible debentures and other bank borrowings approximate their carrying amounts largely due to non movement in interest rates from the recognition of such financial instrument till end of the period.

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 Project SPVs for the above mentioned statements are taken from observable markets where possible and where not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as weighted average cost of capital, income tax rates, inflation rates, etc.

45. 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 prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2019

Rs. Lakhs

Particulars	As at March 31, 2019	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Investment in Mutual Fund	24,530.55	24,530.55	-	-

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

46 Financial Risk Management

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 Market risk, Liquidity risk and Credit risk.

Master Risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(i) Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Group is not exposed to foreign currency risk as it has no borrowings or payables or any other significant transactions in foreign currency

(ii) Interest Rate Risk

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

The Group's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Rs. Lakhs

Particulars	As at March 31, 2019
Term loans from banks	57,900.00

Sensitivity analysis based on average outstanding Senior Debt

Rs. Lakhs

Interest Rate Risk Analysis	Impact on loss before tax March 07, 2018 to March 31, 2019
Increase or decrease in interest rate by 25 basis point	72.38

Note: Loss will decrease in case of decrease in interest rate and vice versa

(iii) Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).The Group is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss. The Group measures risk through sensitivity analysis. The Group's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The Group's exposure to price risk due to investments in mutual fund is as follows:

Rs. Lakhs

Particulars	As at March 31, 2019
Investment in Mutual Funds	24,530.55

Sensitivity analysis

Rs. Lakhs

Interest Rate Risk Analysis	Impact on loss before tax March 07, 2018 to March 31, 2019
Increase or decrease in NAV by 2%	490.61

Note - In case of decrease in NAV, loss will increase and vice versa.

(iv) **Liquidity Risk**

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The following are the contractual maturities of financial liabilities

Rs. Lakhs

As at March 31, 2019	upto 1 year	1 - 2 years	2 - 5 years	> 5 years	Total	Carrying Amount
Non Derivative Financial Liability						
Borrowings	1,000.00	1,164.00	33,156.44	22,579.56	57,900.00	56,622.88
Debentures	635.27	1,726.01	12,055.20	20,804.79	35,221.27	35,221.27
Deferred premium obligation and interest there on	9,768.67	19,744.08	84,842.40	675,269.81	789,624.96	289,567.22
Other financial liabilities	29,017.76	-	-	5.76	29,023.52	29,023.52
Trade Payables	2,267.90	-	-	-	2,267.90	2,267.90
Derivative Financial Liability	-	-	-	-	-	

(v) **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 Group is exposed to credit risk from its investing activities including investments, loans, and other financial instruments. As at March 31, 2019, the credit risk is considered low since substantial transactions of the Trust are with its subsidiaries.

47 Capital Management

For the purpose of the Group's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to unitholders, return capital to unitholders or pay interest to the unit holders. (InvIT regulations require distribution of at least 90% of the net distributable cash flows of the Group to unit holders). The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents, other bank balances and short term investments.

Summary of Quantitative Data is given here under

Rs. Lakhs

Particulars	As at March 31, 2019
Borrowings	91,834.88
Trade payable	2,267.90
Other financial liabilities	318,600.01
Less: Cash and cash equivalents, other bank balances and short term investments	(27,567.21)
Net debt (A)	**385,135.58**
Unit capital	370,000.10
Other Equity	18,736.99
Total capital (B)	**388,737.09**
Capital and Net debt [(C) = (A) + (B)]	**773,872.67**
Gearing ratio (C) / (A)	**201%**

Financial Covenants

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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

48 Significant accounting judgement, estimates and assumptions

The preparation of the Group's financial statements requires the Investment Manager 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 outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Under the provisions of the SEBI InvIT Regulations, the Group is required to distribute to its Unit holders not less than ninety percent of the net distributable cash flows of the Group for each financial year. Accordingly, a portion of the unit holders' funds contain a contractual obligation of the Group 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 debt components in accordance with Ind AS 32 'Financial Instruments: Presentation'. However, in accordance with SEBI Circulars (Circular no. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016) issued under the SEBI 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 income distribution payable to unit holders is recognized as liability when the same is approved by Board of Directors of the Investment Manager.

Estimations 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 Group. Such changes are reflected in the assumptions when they occur.

(i) Impairment of non-financial assets

Non-financial assets of the Group primarily comprise of Road assets (Toll Collection Rights). 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 Road Assets are based on value in use of the projects. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets/forecasts over the life of the projects.

(ii) Expected Credit Loss on financial assets

As per Ind AS 109, Financial Assets that are measured at amortised cost are required to compute the Expected Credit Loss (ECL). As at the reporting period, Investment manager of the Group assessed the credit risk of the financial assets and concluded that are no provision for ECL is required.

IndInfravit Trust

Notes to Consolidated Financial Statements for the period ended March 31, 2019

(iii) Fair Valuation 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 assets (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 yearly to explain the cause of fluctuations in the fair value of the Road Assets. 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.

(iv) Major Maintenance Expenses / Re-surfacing Expenses

As per Service Concession Agreements, the Group is obligated to carry out resurfacing of the roads under concession. For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally, periodic maintenance includes resurface of pavements, repairs of structures and other equipment and maintenance of service roads.

As per industry practice, the periodic maintenance is expected to occur after 5-7 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

(v) 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 Group has not recognized any deferred tax asset/liability on such non-taxable income.

49 Revenue share / Premium payment to NHAI

a) During the period ended March 31, 2019, the Group has paid/accrued Rs. 5,359.33 lakhs as Revenue Share to National Highways Authority of India out of its toll collection in accordance with the concession agreements entered with the said authority. Income from operations in the financial statements is net off the above Revenue Share to NHAI

b) BPPTL has been awarded contracts on a DBFOT basis. As per the terms of the concession agreement, BPPTL is obligated to pay NHAI 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.

50 Details of Project Manager and Investment Manager Fees

Details of fees paid to Project Manager and Investment Manager as required pursuant to SEBI Circular No. CIR/IMD/DF/127/2016, dated November 29, 2016.

(i) Project Manager Fees

The Project Manager is entitled to a Project Manager fee to be calculated @ 1.75% per annum, exclusive of applicable taxes of the gross toll revenue of the respective Project SPVs. Gross Toll Collections shall be the Toll Collections defined as per the agreement with the respective companies.

(ii) Investment Manager Fees

Pursuant to the Investment Management Agreement, the Investment Manager is entitled to an Investment Manager Fee of Rs. 750 Lakhs per annum, exclusive of applicable taxes. The amount is escalated on a year on year by wholesale price index capped at a maximum of 5% and a minimum of 2% in line with the wholesale price index.

51 Previous Project Figures

The Trust was registered as an irrevocable Trust under the Indian Trusts Act, 1882 on March 07, 2018 and registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Groups) Regulations, 2014 on March 15, 2018. The financial statements of the Group has been drawn for the period March 07, 2018 to March 31, 2019 and hence giving corresponding figures for previous period does not arise.

52 Subsequent events

On May 16, 2019 , the Board of Directors of the Investment Manager approved distribution of Rs. 4.73 per unit (Return on capital of Rs. 2.99 per unit and return of capital of Rs. 1.74 per unit) for the period October 01, 2018 to March 31, 2019 to be paid on or before 15 days from the date of declaration.

As per our report attached of even date

For and on behalf of the Board of LTIDPL IndvIT Services Limited
(Investment Management of IndInfravit Trust)

For Sharp & Tannan
Chartered Accountants
(Firm's Registration No. 003792S)

Director

Director

V.Viswanathan
Partner
Membership No.215565

Company Secretary

Chief Financial Officer

Place: Gurgaon
Date: May 16, 2019

Place: Mumbai
Date: May 16, 2019

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of IndInfravit Trust

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of IndInfravit Trust ("the InvIT" or "the Trust"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Unit Holders' Equity for the period 7 March 2018 to 31 March 2019 ("the financial period"), the Statement of Net Assets at fair value as at 31 March 2019, the Statement of Total Returns at fair value, the Statement of Net Distributable Cash Flows for the financial period and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "SEBI InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Trust as at 31 March 2019, its profit including other comprehensive income, its cash flows, changes in Unit holders' equity for the financial period, the net assets as at 31 March 2019, the total returns and the net distributable cash flows for the financial period.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Impairment of investments in equity shares of subsidiaries The assessment of impairment loss involves management estimates and judgement which may affect the outcome of the assessment. These estimates and judgements include future cash flows from the operations of the investee entities, discounting rates, operating expenses which are considered in assessing whether a diminution in the value of investments is other than temporary in nature. There is an inherent risk in the valuation of investment due to the use of estimates and judgements mentioned above. Therefore, impairment of investments in equity shares of investee entities is considered as a Key Audit Matter. Refer Note 2.13 for the accounting policy on impairment of investments, note 3 for investments as at 31 March 2019 in the standalone financial statements	Our audit procedures included the following: assessing the appropriateness of the Trust's valuation methodology applied in determining the recoverable amount of investments. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process; assessing the assumptions around the key drivers of the revenue projections, future cash flow, discount rates / weighted average cost of capital that were used by the experts in determining recoverable amount; discussing key drivers for valuation with LTIDPL IndvIT Services Limited ("Investment Manager") in order to evaluate whether the inputs and assumptions used in the cash flow projections were appropriate; performing sensitivity analysis of key assumptions to understand the scenarios incase of changes to key assumptions; test the arithmetical accuracy of the model.

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

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

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

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

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

Responsibilities of the Board of Directors of Investment Manager for the Standalone Financial Statements

The Board of Directors of Investment Manager is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at 31 March 2019, financial performance including other comprehensive income, cash flows and changes in unit holders' equity for the period 7 March 2018 to 31 March 2019, the net assets as at 31 March 2019, the total returns and the net distributable cash flows of the Trust for the period 7 March 2018 to 31 March 2019 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended and relevant rules issued thereunder read with the SEBI InvIT Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the SEBI InvIT Regulations for safeguarding of the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

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

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

Auditor’s Responsibility for the Audit of the Standalone Ind AS Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors of Investment Manager.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

(b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid standalone financial statements have been kept by the Trust so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows, Statement of Changes in Unit Holder's Equity, the Statement of Net Assets at fair value, the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows dealt with by this Report are in agreement with the books of account of the Trust; and

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

Place
Gurgaon

Date
16 May 2019

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner
Membership No. 215565

IndInfravit Trust
Balance Sheet as at March 31, 2019

Rs. Lakhs

Particulars	Note	As at March 31, 2019
ASSETS		
Non-current assets		
a) Financial Assets		
i) Investments	3	90,907.59
ii) Loans	4	305,800.29
b) Other non-current assets	5	6.09
Total Non-current assets		**396,713.97**
Current assets		
a) Financial Assets		
i) Investments	6	17,123.41
ii) Cash and cash equivalents	7	12.21
iii) Loans	4	15,587.53
iv) Other financial assets	8	11,497.60
b) Other current assets	5	605.30
Total Current assets		**44,826.05**
Total Assets		**441,540.02**
EQUITY AND LIABILITIES		
EQUITY		
a) Initial settlement amount	9	0.10
b) Unit capital	9	370,000.00
c) Other Equity	10	14,684.40
Total Equity		**384,684.50**
LIABILITIES		
Non-current liabilities		
a) Financial liabilities		
i) Borrowings	11	55,622.88
b) Deferred Tax liabilities		6.37
Total Non-current liabilities		**55,629.25**
Current liabilities		
a) Financial liabilities		
i) Other financial liabilities	12	1,187.01
b) Other current liabilities	13	39.26
Total Current liabilities		**1,226.27**
Total Equity and Liabilities		**441,540.02**

As per our report attached
For Sharp & Tannan
Chartered Accountants
(Firm Reg.No.003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust

Statement of Profit and Loss for the period March 07, 2018 to March 31, 2019

Rs. Lakhs

Particulars	Note	March 07, 2018 to March 31, 2019
REVENUE		
Revenue from Operations	14	39,069.56
Other income	15	81.35
Total Income		**39,150.91**
EXPENSES		
Finance costs	16	5,216.12
Investment Manager Fees		671.92
Administration and other expenses	17	758.50
Total expenses		**6,646.54**
Profit before tax		**32,504.37**
Tax Expense:		
Current Tax		16.60
Deferred Tax		6.37
Profit for the period		**32,481.40**
Other Comprehensive Income		-
Total Comprehensive Income for the period		**32,481.40**
Earnings per unit (Basic and Diluted) (in Rs.)		8.78
Face value per unit (in Rs.)		100.00

As per our report attached
For Sharp & Tannan
Chartered Accountants
(Firm Reg.No.003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust

Statement of Changes in Unit holders Equity for the period March 07, 2018 to March 31, 2019

Rs. Lakhs

Particulars	As at March 31, 2019
a) Unit Capital:	
Issued during the period	370,000.00
At the end of the period	**370,000.00**
b) Initial settlement amount	
Received during the period	0.10
At the end of the period	**0.10**
c) Other Equity	
Retained earnings	
Profit for the period	32,481.40
Distribution during the period	(17,797.00)
At the end of the period	**14,684.40**

As per our report attached
For Sharp & Tannan
Chartered Accountants
(Firm Reg.No.003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust
Statement of cash flows for the period March 07, 2018 to March 31, 2019

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
A Net profit before tax	32,504.37
Adjustments for:	
Interest expense	5,216.12
Interest income	(14.68)
(Profit)/loss on sale and fair valuation of current investments (net)	(66.67)
Operating profit before working capital changes	**37,639.14**
Adjustments for:	
Increase / (Decrease) in other current liabilities	39.26
Increase / (Decrease) in other current financial liabilities	187.01
(Increase) / Decrease in loans	(321,387.82)
(Increase) / Decrease in other non-current assets	-
(Increase) / Decrease in other financial assets	(11,497.60)
(Increase) / Decrease in other current assets	(605.30)
Net cash generated from/(used in) operating activities	**(295,625.31)**
Direct taxes paid (net of refunds)	(22.69)
Net Cash (used in) operating activities	**(295,648.00)**
B Cash flow from investing activities	
(Purchase)/ Sale of current investments	(17,056.74)
Investment in Subsidiaries #	(35,407.59)
Interest received	14.68
Net cash (used in) investing activities	**(52,449.65)**
C Cash flow from financing activities	
Proceeds from issue of unit capital	314,500.10
Distribution to Unit Holders	(17,797.00)
Proceeds from borrowings	64,600.00
Repayment of borrowings	(6,700.00)
Transaction Cost on long term borrowings	(1,626.95)
Interest paid	(4,866.29)
Net cash generated from financing activities	**348,109.86**
Net increase / (decrease) in cash and cash equivalents (A+B+C) and Cash and cash equivalents as at the end of the period	**12.21**

The Trust had issued 5,55,00,000 units in exchange of equity share to sponsor. The same has not been reflected in cash flow since it was a non-cash transaction

Notes:

1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
2. Cash and cash equivalents represent cash and bank balances.

As per our report attached
For Sharp & Tannan
Chartered Accountants
(Firm Reg.No.003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

IndInfravit Trust
Disclosures pursuant to SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 issued under the SEBI InvIT Regulations)

A. Statement of Net Distributable Cash Flows (NDCFs)

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Cash flows received from the Portfolio Assets in the form of interest	27,574.07
Cash flows received from the Portfolio Assets in the form of dividend	-
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	46.26
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust	20,110.00
Total cash inflow at the Trust level (A)	**47,730.33**
Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager and Trustee	6,195.44
Less: Repayment of external debt at the Trust level and at the level of any of the underlying portfolio assets/special purpose vehicles (Excluding refinancing)	6,700.00
Total cash outflows / retention at the Trust level (B)	**12,895.44**
Net Distributable Cash Flows (C) = (A-B)	**34,834.89**

Note:

Net Distributable Cash Flows as computed above	**34,834.89**
Add : Cash Available for distribution from SPVs in the form of	
'Interest to the Trust	-
'Principal Repayment to the Trust	500.00
Net Cash available for Distribution at the Trust	**35,334.89**

IndInfravit Trust
Disclosures pursuant to SEBI Circulars
(SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 issued under the SEBI InvIT Regulations)

B. Statement of net assets at Fair Value as at March 31, 2019

Rs. Lakhs

Particulars	Book Value	Fair Value
A. Assets	441,540.02	467,707.21
B. Liabilities (at book value)	56,855.52	67,497.21
C. Net Assets (A-B)	**384,684.50**	**400,210.00**
D. Number of units (in Lakhs)	3,700.00	3,700.00
E. NAV (C/D)	**103.97**	**108.16**

C. Statement of total returns at Fair Value as at March 31, 2019

Rs. Lakhs

Particulars	March 07, 2018 to March 31, 2019
Total Comprehensive Income (As per the Statement of Profit and Loss)	32,481.40
Add/(less): Other Changes in Fair Value	15,525.50
Comprehensive Income	**48,006.90**

Note:

Fair value of assets as at March 31, 2019 and other changes in fair value for the period then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under the SEBI InvIT Regulations.

As per our report attached
For Sharp & Tannan
Chartered Accountants
(Firm Reg.No.003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

1.Trust Information and nature of Operations

IndInfravit Trust ("Trust" or "InvIT") is as irrevocable trust registered under the provisions of the Indian Trusts Act, 1882 on March 07, 2018. It is registered under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 on March 15, 2018 having registration number IN/InvIT/17-18/0007. The Trust is settled by L&T Infrastructure Development Project Limited ("L&T IDPL" or the "Sponsor"), an infrastructure development company in India. The Trustee to the Trust is IDBI Trusteeship Services Limited (the "Trustee") and Investment Manager for the Trust is LTIDPL IndvIT Services Limited ("Investment Manager"). The Trust has been formed to invest in infrastructure assets primarily being in the road sector in India. All of the Trust's road projects are implemented and held through special purpose vehicles ("Project SPVs" / "Subsidiaries"). The units of the Trust were listed in Bombay Stock Exchange and National Stock Exchange on May 09, 2018.

During the period ended March 31, 2019, the Trust acquired 100% equity control in the following Project SPVs from the Sponsor with effect from May 04, 2018. These Project SPVs are developed on Build, Operate and Transfer ('BOT') and Develop, Build, Operate, Finance and Transfer ('DBFOT') basis.

S. No.	Project SPVs
1	Western Andhra Tollways Limited
2	Krishnagiri Walajahpet Tollway Limited
3	Krishnagiri Thopur Toll Road Limited
4	Beawar Pali Pindwara Tollway Limited
5	Devihalli Hassan Tollway Limited

The registered office of the Investment Manager is Post Box No. 979, TCTC Building, 1st Floor, Mount Poonamallee Road, Manapakkam, Chennai – 600089, Tamil Nadu

The financial statements were authorised for issue in accordance with resolution passed by the board of directors of the Investment Manager on May 16, 2019.

2. Summary of significant accounting policies

2.1. Basis of preparation

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

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

The financial statements are presented in Indian Rupee ('INR') which is the functional currency of the Trust and all values are rounded to the nearest Lakhs, except when indicated otherwise.

The preparation of financial statements is in conformity with the generally accepted accounting principles in India requires the Investment Manager 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 Investment Manager's best knowledge of current events and actions, actual results could differ from these estimates.

2.2. Current versus non-current classification

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

An asset is treated as current when it is:

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

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 assets 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 Trust has identified twelve months as its operating cycle.

2.3. Revenue recognition

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

Other Income - Fair value gains on current investments carried at fair value are included in other income.

Other items of income are recognised as and when the right to receive arises.

2.4. Financial instruments

Financial assets and/or financial liabilities are recognised when the Trust becomes party to a contract embodying the related financial instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

2.4.1. Financial assets

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

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

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

Financial Assets at amortised cost

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

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

This category is the most relevant to the Trust. All the loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI) / Statement of Profit and Loss (FVTPL)

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

- the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- the asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Trust 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 Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

All investments in scope of Ind AS 109 are measured at fair value. The Trust has investment in debt oriented mutual funds which are held for trading, are classified as at FVTPL. The Trust makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The gain/ loss on sale of investments are recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Trust 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 Investment Manager of the Trust determines change in the business model as a result of external or internal changes which are significant to the Trust's operations. Such changes are evident to external parties. A change in the business model occurs when the Trust either begins or ceases to perform an activity that is significant to its operations. If the Trust reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Trust 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
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in other comprehensive income. No Change in FIR due to reclassification
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. However cumulative gain or loss in other comprehensive income 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 other comprehensive income is reclassified to statement of profit and loss at the reclassification date

Derecognition - A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e., removed from the Trust's balance sheet) when:

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

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

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Trust recognizes twelve months 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.

2.4.2. Financial liabilities

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Trust's financial liabilities include trade and other payables and borrowings.

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

Financial liabilities at fair value through profit or loss 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. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Loans and borrowings - This is the category most relevant to the Trust. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit or Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

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.

2.5. Fair value measurement

The Trust measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Trust.

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

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

The Trust 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 Board of Directors of the Investment Manager presents the valuation results to the Audit Committee and the Trust's independent auditors. This includes a discussion of the major assumptions used in the valuations. For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.6. Cash and cash equivalents

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

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

2.7. 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.

2.8. Foreign currencies

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

Transactions in foreign currencies are initially recorded by the Trust at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and 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.

2.9. Taxes

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

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Investment Manager 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 is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income 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.

2.10. Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Trust expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is reasonably 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.

2.11. Contingent liabilities and Contingent assets

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

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

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

2.12. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- funding related commitment to subsidiary companies; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to services to be rendered / procurements made in the normal course of business are not disclosed to avoid excessive details

2.13. 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.

2.14. Contributed Equity

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

2.15. Distribution to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the SEBI 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.

2.16. Earnings per Unit (EPU)

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

2.17. Goods and Service taxes (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST 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.

2.18. Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires the Trust makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include allowance for doubtful loans /other receivables, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

2.19. Standard issued but not effective

Ind AS 116 'Leases'

This standard was notified on March 30, 2019 and it replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of lease transactions and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from the current accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases. The Trust intends to adopt this standard, if applicable, when it becomes effective. As the Trust does not have any material leases, the adoption of this standard is not likely to have a material impact on its financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, entities need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the entities have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Trust will adopt the standard on April 1, 2019. The effect on adoption of Ind AS 12 Appendix C would be insignificant on the standalone financial statements as this is the first year of operations of the Trust.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity (a) to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and (b) to recognise in the Statement of Profit and Loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The amendment does not have any impact on financial statements of the Trust as at present the Trust do not have employees.

IndInfravit Trust
Notes to the Financial Statements for the period ended March 31, 2019

3 Investments (Non-current)

Particulars	As at March 31, 2019 No. of Shares	As at March 31, 2019 Rs. Lakhs
Investments in equity shares of subsidiaries (unquoted) at cost		
Western Andhra Tollways Limited	56,500,000	11,097.76
Krishnagiri Walajahpet Tollway Limited	90,000,000	31,633.94
Krishnagiri Thopur Toll Road Limited	78,750,000	23,975.89
Devihalli Hassan Tollway Ltd	90,000,000	9,500.00
Beawar Pali Pindwara Tollway Limited	247,200,000	14,700.00
		90,907.59
Aggregate book value of unquoted investments		90,907.59

4 Loans (Unsecured, considered good)

Particulars	As at March 31, 2019 Current Rs. Lakhs	Non-current Rs. Lakhs	Total Rs. Lakhs
Loans to related parties - subsidiaries	15,587.53	305,800.29	321,387.82
			-
	15,587.53	305,800.29	321,387.82

5 Other non current and current assets

Particulars	As at March 31, 2019 Current Rs. Lakhs	Non-current Rs. Lakhs	Total Rs. Lakhs
Advances to related parties	50.09	-	50.09
Balances with government authorities - GST	547.34	-	547.34
Advances to service providers	7.87	-	7.87
Current tax receivable (net)	-	6.09	6.09
	605.30	6.09	611.39

IndInfravit Trust
Notes to the Financial Statements for the period ended March 31, 2019

6 Investments (current)

Particulars	As at March 31, 2019 Rs. Lakhs
Investments at fair value through Profit and loss	
Mutual funds	17,123.41
	17,123.41

Aggregate market value of quoted investments - Mutual Funds

Name of the fund	As at March 31, 2019 Quantity Units	As at March 31, 2019 Amount Rs. Lakhs
IDFC Cash Fund - Growth - Regular Plan	194,181	4,383.54
Invesco India Liquid Fund - Growth Plan	218,570	5,598.95
SBI Premier Liquid Regular - Growth	244,861	7,140.92
		17,123.41

7 Cash and cash equivalents

Particulars	As at March 31, 2019 Rs. Lakhs
Balances with banks*	12.21
	12.21

* The above balances with banks represent balance in escrow account which is hypothecated against secured borrowings.

8 Other financial assets

Particulars	As at March 31, 2019 Current Rs. Lakhs	As at March 31, 2019 Non-current Rs. Lakhs	As at March 31, 2019 Total Rs. Lakhs
Interest Receivable from Related Parties (unsecured)	11,495.49	-	11,495.49
Other receivables	2.11	-	2.11
	11,497.60	-	**11,497.60**

IndInfravit Trust
Notes to the Financial Statements for the period ended March 31, 2019

9 Equity

Unit Capital

Particulars	As at March 31, 2019 Rs. Lakhs
a) 37,00,00,000 units (March 31, 2018 : Nil) (Issue price : Rs. 100)	370,000.00
b) Initial Settlement Amount	0.10
	370,000.10

Terms / rights attached to units

(i) Rights of Unitholders

The Trust has only one class of units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves dividend distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays dividends in Indian rupees.

A Unitholder has no equitable or proprietary interest in the projects of the Trust and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

(ii) Reconciliation of the number of units outstanding and the amount of unit capital:

Particulars	As at March 31, 2019 No. of Units (Lakhs)	Rs. Lakhs
At the beginning of the period		
Issued during the period as fully paid	3,700.00	370,000.00
At the end of the period	**3,700.00**	**370,000.00**

10 Other Equity

Particulars	As at March 31, 2019 Rs. Lakhs
Retained earnings	
Balance at the beginning of the period	-
Total comprehensive income for the period	32,481.40
Distributions made to the unit holders during the period *	(17,797.00)
Balance at the end of the period	**14,684.40**

* The distribution relates to the distributions during the period and does not include the distribution relating to the period October 01, 2018 to March 31, 2019 which will be paid after March 31, 2019. The distributions by the Trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT Regulations and hence part of the same includes repayment of capital as well.

IndInfravit Trust

Notes to the Financial Statements for the period ended March 31, 2019

11 Borrowings

Particulars	As at March 31, 2019 Current Rs. Lakhs	Non current Rs. Lakhs	Total Rs. Lakhs
Secured borrowings			
Term loans from bank	-	56,900.00	56,900.00
Less : Unamortised Borrowing Cost	-	(1,277.12)	(1,277.12)
	-	55,622.88	55,622.88

The loans are secured by first charge on escrow accounts and on receivables of the Trust arising out of principal and interest payment of the loans given by the Trust to its subsidiaries.

Interest rates on the term loan from bank is Marginal Cost of fund based lending rate (MCLR) applicable on such anniversary date i.e., 8.30% p.a.. The loans are repayable in unstructured quarterly instalment as per the repayment schedule specified in loan agreement with the lender.

12 Other financial liabilities

Particulars	As at March 31, 2019 Current Rs. Lakhs	Non current Rs. Lakhs	Total Rs. Lakhs
Current maturities of long term borrowings	1,000.00	-	1,000.00
Dues to related parties	130.93	-	130.93
Other liabilities	56.08	-	56.08
	1,187.01	-	1,187.01

13 Other liabilities

Particulars	As at March 31, 2019 Current Rs. Lakhs	Non current Rs. Lakhs	Total Rs. Lakhs
Statutory payables	39.26	-	39.26
	39.26	-	39.26

IndInfravit Trust

Notes to the Financial Statements for the period ended March 31, 2019

14 Revenue from operations

Particulars	March 07, 2018 to March 31, 2019 Rs. Lakhs
Interest income from loans to subsidiary companies	39,069.56
	39,069.56

15 Other income

Particulars	March 07, 2018 to March 31, 2019 Rs. Lakhs
Interest income from bank deposits	14.68
Net gain/(loss) on sale of investments	46.26
Net gain/(loss) on financial assets designated at FVTPL	20.41
	81.35

16 Finance costs

Particulars	March 07, 2018 to March 31, 2019 Rs. Lakhs
Interest on borrowings from banks	5,216.12
	5,216.12

17 Administration and other expenses

Particulars	March 07, 2018 to March 31, 2019 Rs. Lakhs
Auditor's remuneration	20.00
Professional fees	711.14
Travelling and conveyance	0.48
Bank Charges	26.01
Miscellaneous expenses	0.87
	758.50

18 Contingent liabilities

There are no contingent liabilities as on March 31, 2019

19 Capital and other commitments

There are no capital and other commitments as on March 31, 2019

20 **Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"**

The activities of the Trust mainly include investing in infrastructure assets primarily in the SPVs operating in the road sector to generate cash flows for distribution to unit holders. Based on the guiding principles given in Ind AS - 108 “Operating Segments”, this activity falls within a single operating segment. Further, the entire operations of the Trust are only in India and hence, disclosure of secondary / geographical segment information does not arise. Accordingly, giving disclosures under Ind AS 108 does not arise.

21 **Disclosure pursuant to Ind AS 33 "Earnings per Share"**

Basic and Diluted Earnings per Unit (EPU) computed in accordance with Ind AS 33 “Earnings per Share”.

Particulars	March 07, 2018 to March 31, 2019 Rs. Lakhs
Basic and Diluted	
Profit after tax (A)	32,481.40
Weighted average number of units (B)	3,700.00
Earnings Per Unit (In Rs.) (A/B)	**8.78**
Face value per Unit (In Rs.)	100.00

22 **Details of dues to micro and small enterprises as per MSMED Act, 2006**

There are no Micro and Small Enterprises as defined in the Micro and Small Enterprises Development Act, 2006 to whom the Trust owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro and Small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Trust.

IndInfravit Trust
Notes to the Financial Statements for the period ended March 31, 2019

23 Related Party Disclosures

I List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures"

A Related parties where control exists

Subsidiaries
Krishnagiri Thopur Toll Road Limited (KTTL)
Krishnagiri Walajahpet Tollway Limited (KWTL)
Western Andhra Tollways Limited (WATL)
Beawar Pali Pindwara Tollway Limited (BPPTL)
Devihalli Hassan Tollway Limited (DHTL)

II List of additional related parties as per Regulation 2(1)(zv) of the SEBI InvIT Regulations

A Parties to IndInfravit
L& T Infrastructure Development Projects Limited (L&T IDPL) - Project Manager & Sponsor of the IndInfravit
LTIDPL IndvIT Services Limited (LTIDPL IndvIT) - Investment Manager (IM) of the IndInfravit
IDBI Trusteeship Services Limited (ITSL) - Trustee of IndInfravit

B Promoters of the parties to the Trust specified in II(A) above
Larsen & Toubro Limited (L&T) - Promoter of L&T IDPL
L&T Infrastructure Development Projects Limited (L&T IDPL) - Promoter of LTIDPL IndvIT
IDBI Bank Limited (IDBI Bank) - Promoter of ITSL

C Directors of the parties to the Trust specified in II(A) above

(i) Directors of L&T IDPL
Mr. R. Shankar Raman
Mr. Shailesh K. Pathak
Mr. Sudhakar Rao
Mr. Vinayak Laxman Patankar
Mr. Vikram S Gandhi
Mr. T.S.Venkatesan
Mrs. Vijayalakshmi Rajaram Iyer

(ii) Directors of LTIDPL IndvIT
Mr. Nasim Zaidi
Mr. Mohanraj Narendranathan Nair
Mr.Chandra Shekhar Rajan (till January 16, 2019)
Mr. Ashwin Mahalingam
Mrs .Samyuktha Surendaran
Mrs.Monisha Prabhu Macedo
Mr. T.S.Venkatesan
Mr.Vipul Chandra (till February 26, 2019)
Mr. Pushkar Vijay Kulkarni
Mr. Igor Emil Lukin

(iii) Directors of ITSL
Mr. Gurudeo Madhukar Yadwadkar
Mr. Ravishankar G Shinde
Ms. Madhuri J Kulkarni
Ms. Sashikala Muralidharan
Mr. Saurabh Chandra
Mr. Swapan Kumar Bagchi
Mr. K R Vishwanath

IndInfravit Trust
Notes to the Financial Statements for the period ended March 31, 2019

23 Related Party Disclosures

III. Transactions with related parties during the period

Particulars	Relation	Rs. Lakhs
(i) Unsecured loans given to subsidiaries		
BPPTL	Subsidiary	219,015.81
KWTL	Subsidiary	76,027.03
KTTL	Subsidiary	22,327.61
DHTL	Subsidiary	12,935.44
WATL	Subsidiary	12,015.93
		342,321.82
(ii) Repayment of loan from subsidiaries		
WATL	Subsidiary	8,694.00
KTTL	Subsidiary	6,069.00
KWTL	Subsidiary	5,043.00
DHTL	Subsidiary	750.00
BPPTL	Subsidiary	378.00
		20,934.00
(iii) Interest Income from Subsidiaries		
BPPTL	Subsidiary	25,420.23
KWTL	Subsidiary	8,699.46
KTTL	Subsidiary	2,418.84
DHTL	Subsidiary	1,440.24
WATL	Subsidiary	1,090.80
		39,069.56
(iv) Investment Manager Fee - Expense		
LTIDPL IndvIT	Investment Manager	671.92
(v) Trusteeship Fee - Expense		
ITSL	Trustee of IndInfravit	19.00
(vi) a) Purchase of Equity Shares of Subsidiaries		
L&T IDPL	Sponsor and Project Manager	90,907.59
b) Issue of unit capital towards purchase of equity shares		
L&T IDPL	Sponsor and Project Manager	55,500.00
c. Payment made against purchase of shares		
L&T IDPL	Sponsor and Project Manager	35,407.59
(vii) Distribution made to		
L&T IDPL	Sponsor and Project Manager	2,669.55
L&T	Promoter of The Sponsor	3,184.22
		5,853.77

IV Outstanding balances as at period end

Particulars	Relation	Rs. Lakhs
(i) Interest receivable from subsidiaries		
BPPTL	Subsidiary	10,397.23
DHTL	Subsidiary	1,098.24
KWTL	Subsidiary	0.02
		11,495.49
(ii) Unsecured loan receivable		
BPPTL	Subsidiary	218,637.81
KWTL	Subsidiary	70,984.03
KTTL	Subsidiary	16,258.61
DHTL	Subsidiary	12,185.44
WATL	Subsidiary	3,321.93
		321,387.82
(iii) Investment Manager Fee - Payable		
LTIDPL IndvIT	Investment Manager of IndInfravit	130.93

24 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	As at March 31, 2019 FVTPL Rs. Lakhs	 FVTOCI Rs. Lakhs	 Amortized cost Rs. Lakhs
Financial asset			
Investments	17,123.41	-	-
Cash and cash equivalents	-	-	12.21
Loans			321,387.82
Other financial assets	-	-	11,497.60
Total Financial Asset	17,123.41	-	332,897.63
Financial liability			
Borrowings (including current maturities)	-	-	56,622.88
Other financial liabilities	-	-	187.01
Total Financial Liabilities	-	-	56,809.89

Default and breaches

There are no defaults during the period with respect to repayment of principal and payment of interest and no breaches of the terms and conditions of the borrowings.

There are no breaches during the period which permitted lender to demand accelerated payment

IndInfravit Trust
Notes to the Financial Statements for the period ended March 31, 2019

25 Fair value of Financial asset and liabilities at amortized cost

Particular	As at March 31, 2019 Carrying amount Rs. Lakhs	Fair value Rs. Lakhs
Financial Assets		
Cash and cash equivalents	12.21	12.21
Loans	321,387.82	321,387.82
Other financial assets	11,497.60	11,497.60
Total Financial Assets	**332,897.63**	**332,897.63**
Financial liability		
Borrowings (including current maturities)	56,622.88	56,622.88
Other financial liabilities	187.01	187.01
Total Financial Liabilities	**56,809.89**	**56,809.89**

The carrying amount of current financial assets and other financial liabilities measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of borrowings approximates the fair value as the instruments are at prevailing market rate.

26 Fair Value Measurement of Financial asset and Financial liabilities

a) Fair value hierarchy

Financial Asset & Liabilities Measured at FV - Recurring FVM	As at March 31, 2019 Level 1 Rs. Lakhs	Level 2 Rs. Lakhs	Level 3 Rs. Lakhs	Total Rs. Lakhs
Financial asset measured at FVTPL				
Investments in Mutual Funds	17,123.41	-	-	17,123.41
Total Financial Assets	**17,123.41**	-	-	**17,123.41**
Financial Liabilities				
Borrowings (including current maturities)	-	56,622.88	-	56,622.88
Total Financial Liabilities	-	**56,622.88**	-	**56,622.88**

The policy of the Trust is to recognise transfers into and transfer out of fair values hierarchy levels as at the end of the reporting period.

b) Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial assets		
Investment in Mutual Funds	Market Approach	NAV
Financial liabilities		
Borrowings - Term loans from bank	Income	Current Bank Rate

27 Financial Risk Management

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

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

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

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(i) Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.
The Trust is not exposed to foreign currency risk as it has no borrowings or payables or any other significant transactions in foreign currency

(ii) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Trust's exposure to the risk of changes in market interest rates relates primarily to the Trust's long-term debt obligations with floating interest rates.

The Trust's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	As at March 31, 2019 Rs. Lakhs
Term loans from banks	57,900.00
Sensitivity analysis based on average outstanding Debt	Impact on profit / loss after tax
Interest Rate Risk Analysis	March 07, 2018 to March 31, 2019 Rs. Lakhs
Increase or decrease in interest rate by 25 basis points	72.38
Note: Profit will increase in case of decrease in interest rate and vice versa	

IndInfravit Trust
Notes to the Financial Statements for the period ended March 31, 2019

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).
The Trust is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss
The Trust measures risk through sensitivity analysis.
The Trust's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The Trust's exposure to price risk due to investments in mutual fund is as follows:

Particulars	As at March 31, 2019 Rs. Lakhs
Investments in Mutual Funds	17,123.41
Sensitivity Analysis	**Impact on profit / loss after tax**
Interest Rate Risk Analysis	March 07, 2018 to March 31, 2019 Rs. Lakhs
Increase or decrease in NAV by 2% *Note - In case of decrease in NAV profit will reduce and vice versa.*	342.47

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
The Trust is exposed to liquidity risk due to bank borrowings and trade and other payables.
The Trust measures risk by forecasting cash flows.
The Trust’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Trust’s reputation. The Trust ensures that it has sufficient funds to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

As at March 31, 2019	upto 1 year Rs. Lakhs	1 - 2 years Rs. Lakhs	2 - 5 years Rs. Lakhs	> 5 years Rs. Lakhs	Total Rs. Lakhs	Carrying Amount Rs. Lakhs
Non Derivative Financial Liability						
Term loan from Banks	1,000.00	1,164.00	33,156.44	22,579.56	57,900.00	57,900.00
Other financial liabilities	187.01	-	-	-	187.01	187.01
Derivative Financial Liability	-	-	-	-		-

C) **Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Trust is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at March 31, 2019, the credit risk is considered low since substantial transactions of the Trust are with its subsidiaries.

28 Capital management

For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may adjust the dividend payment / income distribution to unit holders (subject to the provisions of SEBI InvIT Regulations which require distribution of at least 90%of the net distributable cash flows of the Trust to unit holders), return capital to unit holders or issue new units. The Trust monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Trust's policy is to keep the gearing ratio optimum.

Particulars	As at March 31, 2019 Rs. Lakhs
Borrowings (secured)	57,900.00
Less: Cash and cash equivalents	12.21
Net debt (A)	57,887.79
Unit capital	370,000.00
Initial settlement amount	0.10
Other Equity	14,684.40
Total equity (B)	384,684.50
Capital and net debt C = A+B	442,572.29
Gearing ratio (%) (C/A)	765%

29 Significant accounting judgement, estimates and assumptions

The preparation of the Trust's financial statements requires Investment Manager 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.

(a) Judgement

In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(b) Classification of unit holders Funds

Under the provisions of the SEBI InvIT Regulations, the Trust is required to distribute to its Unit holders not less than ninety percent of the net distributable cash flows of the Trust for each financial year. Accordingly, a portion of the unit holders' funds contain a contractual obligation of the Trust 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 debt components in accordance with Ind AS 32 'Financial Instruments: Presentation'. However, in accordance with SEBI Circulars (Circular no..CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016) issued under the SEBI 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 income distribution payable to unit holders is recognized as liability when the same is approved by Board of Directors of the Investment Manager.

(c) Fair valuation and disclosures

SEBI Circulars issued under the SEBI InvIT Regulations requires 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 Trust engages independent qualified external valuers to perform the valuation. The Investment Manager works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The valuation report and findings are discussed at the meeting of the Board of Directors on yearly basis to understand the changes in the fair value of the subsidiaries. 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 weighted average cost of capital, tax rates, inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

(d) Taxes

In accordance with section 10 (23FC) of the Income Tax Act, 1961 the income of business trusts in the form of interest received or receivable from subsidiaries is exempt from tax. Accordingly, the Trust is not required to provide any current tax liability. Further, deferred tax asset on carry forward losses is not created since there is no reasonable certainty of reversal of the same in the near future.

(e) Expected Credit Loss on financial assets

As per Ind AS 109, Financial Assets that are measured at amortised cost are required to compute the Expected Credit Loss (ECL). As at the reporting period, Investment manager of the Trust assessed the credit risk of the financial assets and concluded that are no provision for ECL is required.

30 Previous period figures

The Trust was registered as an irrevocable Trust under the Indian Trusts Act, 1882 on March 07, 2018 and registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Groups) Regulations, 2014 on March 15, 2018. The financial statements of the Trust has been drawn for the period March 07, 2018 to March 31, 2019 and hence giving corresponding figures for previous period does not arise.

31 Subsequent event

On May 16, 2019 , the Board of Directors of the Investment Manager approved distribution of Rs. 4.73 per unit (Return on capital of Rs. 2.99 per unit and return of capital of Rs. 1.74 per unit) for the period October 01, 2018 to March 31, 2019 to be paid on or before 15 days from the date of declaration.

As per our report attached
For Sharp & Tannan
Chartered Accountants
(Firm Reg.No.003792S)

V.Viswanathan
Partner
Membership No.215565

Place: Gurgaon
Date: May 16, 2019

For and on behalf of the LTIDPL IndvIT Services Limited
(Investment Manager of IndInfravit Trust)

Director

Director

Company Secretary

Chief Financial Officer

Place: Mumbai
Date: May 16, 2019

Other Disclosures

1. Any information or report pertaining to the specific sector or sub-sector that may be relevant for an investor to invest in units of the InvIT: Nil

2. Update on development of under-construction projects, if any: Nil

3. Details of outstanding borrowings and deferred payments of InvIT including any credit rating(s), debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis as at the end of the year: Please refer to Financial Statement

4. The total operating expenses of the InvIT along with detailed break-up, including all fees and charges paid to the Investment Manager and any other parties, if any during the year: Please refer to Financial Statement

5. a. Details of all related party transactions during the year, value of which exceeds five percent of value of the InvIT assets: Please refer to Financial Statement

   b. Details regarding the monies lent by the InvIT to the holding company or the special purpose vehicle in which it has investment in: Please refer to Financial Statement

6. Details of issue and buyback of units during the year, if any: During the period, the Trust has not issued any additional units.

7. Brief details of material and price sensitive information: During the period, the Trust, from time to time, has been providing price sensitive details of material and price sensitive information to the stock exchanges in accordance with the InvIT Regulations.

8. Information of the contact person of the InvIT:

   Ms. Shreya Ramkrishnan

   Company Secretary and Compliance Officer

   Address: TCTC Building, Mount Poonamallee Road

   Manapakkam, Chennai – 600 089

   Contact No: 044 – 2252 8727
   E-mail ID: comply@indinfravit.com

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