

6<sup>TH</sup>  
ANNUAL  
REPORT  
2023-24



INDIA INFRASTRUCTURE TRUST

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## CORPORATE INFORMATION

### INDIA INFRASTRUCTURE TRUST ("TRUST")

SEBI Registration Number: IN/InvIT/18/00008

#### Principal Place of Business

Seawoods Grand Central, Tower-1, 3<sup>rd</sup> Level,  
C Wing - 301 to 304, Sector 40,  
Seawoods Railway Station, Navi Mumbai,  
Thane, Maharashtra - 400706, India  
Tel: +91 22 3501 8000  
E-mail: [compliance@pipelineinvit.com](mailto:compliance@pipelineinvit.com)  
Website: [www.pipelineinvit.com](http://www.pipelineinvit.com)

#### Compliance Officer & contact person of the Trust

Mr. Vikas Prakash  
Address: Seawoods Grand Central, Tower-1,  
3<sup>rd</sup> Level, C Wing - 301 to 304, Sector 40,  
Seawoods Railway Station, Navi Mumbai, Thane,  
Maharashtra - 400706, India  
Tel: +91 22 3501 8000  
E-mail: [compliance@pipelineinvit.com](mailto:compliance@pipelineinvit.com)

#### Auditors

M/s. Deloitte Haskins & Sells LLP,  
Chartered Accountants  
Firm Registration Number: 117366W/W-100018

#### Valuer

Mr. S. Sundararaman  
Registered Valuer  
IBBI Registration No.: IBBI/RV/06/2018/10238

#### Securities Information

BSE Limited: 542543  
ISIN: INE05KD23015

### REGISTRAR & TRANSFER AGENT OF THE TRUST

#### KFin Technologies Limited

(Unit: India Infrastructure Trust)  
Selenium Tower B, Plot 31-32,  
Financial District, Nankramguda, Serilingampally,  
Hyderabad, Rangareddi, Telangana - 500032  
Tel: +91 40 6716 2222  
Fax: +91 40 2343 1551  
E-mail: [indiainfrainvit.pp@kfintech.com](mailto:indiainfrainvit.pp@kfintech.com)

### INVESTMENT MANAGER OF THE TRUST

EnCap Investment Manager Private Limited\* ("IM/the Company")  
(Formerly known as Brookfield India Infrastructure Manager Private Limited)

CIN: U67190MH2010PTC202800  
Registered Office: Seawoods Grand Central,  
Tower-1, 3<sup>rd</sup> Level, C Wing - 301 to 304, Sector 40,  
Seawoods Railway Station, Navi Mumbai,  
Thane, Maharashtra - 400706, India

#### Board of Directors of IM as on the date of this Report

Mr. Prateek Shroff, *Non-executive Director and Chairperson*  
Mr. Akhil Mehrotra, *Managing Director*  
Mr. Arun Balakrishnan, *Non-executive Independent Director*  
Mr. Chaitanya Pande, *Non-executive Independent Director*  
Ms. Kavita Venugopal, *Non-executive Independent Director*  
Mr. Varun Saxena, *Non-executive Director*

### TRUSTEE OF THE TRUST

#### Axis Trustee Services Limited

The Ruby, 2<sup>nd</sup> Floor, SW,  
29 Senapati Bapat Marg, Dadar West,  
Mumbai - 400 028  
Tel: + 91 22 6230 0451  
Fax: +91 22 6230 0700  
E-mail: [debenturetrustee@axistrustee.in](mailto:debenturetrustee@axistrustee.in)

\*Name changed from 'Brookfield India Infrastructure Manager Private Limited' to 'EnCap Investment Manager Private Limited' w.e.f. June 21, 2024

## BOARD OF DIRECTORS OF THE INVESTMENT MANAGER



**Mr. Prateek Shroff – Non-executive Director and Chairperson of the Board**

Mr. Prateek is a Senior Vice President in the Infra Investments team and oversees the legal function for Brookfield Infrastructure in the region. Prateek's prior work experience includes assignments with Trilegal, Cyril Amarchand Mangaldas and working as Senior Legal Counsel, Tata Sons Pvt. Ltd., where his responsibilities included working with the strategy teams on structuring, negotiating and drafting transaction documents for various mergers and acquisition transactions at the group and operating company level.

He holds B.A. LL.B (Hons.) from WB National University of Juridical Sciences.

**Mr. Akhil Mehrotra – Managing Director**

Akhil Mehrotra is a business leader in Energy sector with over 31 years of experience across Oil & Gas, Power, and Telecom industries. He has spent more than 18 years in leadership roles leading P&L of multiple companies, M&A deals and has been instrumental in transforming business performance.

In his previous role, Akhil has been Chairman of Mahanagar Gas Limited, a Fortune 500 company and listed on Indian Stock Exchanges. He has also been on Boards of various companies including Shell Energy India and Hazira Ports Private Limited. Before joining PIL as CEO in July 2019, he was associated with Shell (including BG Plc) for 16 years and with Reliance Group for 9 years.

Akhil is a BE in Mechanical Engineering, MBA in Finance, and a PhD in Gas Markets.



**Mr. Arun Balakrishnan – Independent Director**

Arun is former Chairman & Managing Director of Hindustan Petroleum Corporation Ltd. (HPCL) & Founder Chairman of HPCL-Mittal Energy Ltd. (HMEL), a Joint Venture Refining Company of HPCL and L.N. Mittal Investments at Bathinda in Punjab. He was also Chairman, Scientific Advisory Committee, Ministry of Petroleum & Natural Gas, Govt of India. Currently, he is a Non-Executive Independent Director on the Boards of many prestigious companies.

His expertise, inter alia, includes Science & Technology, Project Management, Finance, Human Resources and General Management.

A graduate in Chemical Engineering, he completed his Post Graduation in Management from the Indian Institute of Management, Bangalore in 1976. He is the recipient of "The Distinguished Alumni Award 2008" from his alma mater, the Indian Institute of Management, Bangalore.





#### **Mr. Chaitanya Pande - Independent Director**

Chaitanya is an executive with over 25 years of experience in credit, finance, and investments. He was previously Principal and MD at Lions Head Alternatives, responsible for acquisitions, credit, and structuring. Previously, he was EVP & Chief Investment Officer (Fixed Income and Structured Products) at ICICI Prudential AMC, where he ran a USD 12Bn+ Fixed Income and Structured Products portfolio. Currently, he advises Northern Arc (IFMR) Investment Managers on Investment and Product Strategy as well as the Insurance businesses of the Shriram group on fixed-income investments.

He was awarded Debt Fund Manager of the Year by Business Standard in 2012, Morningstar awarded funds under his management Best Debt Fund House for three years and Best Debt Fund House by CNBC TV18 CRISIL in 2010. Before ICICI Prudential, he was with Jardine Fleming Asset Management for over 7 years.

Chaitanya has a PGDBA from IMI Delhi and a Bachelor's degree in Mathematics from St. Stephens College, Delhi.

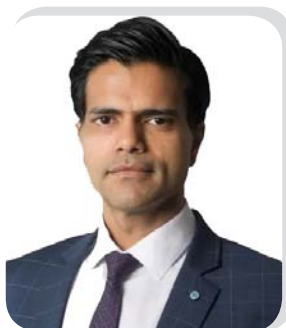
#### **Ms. Kavita Venugopal – Independent Director**

Kavita is an Independent Board Director and Business Leader, with extensive experience with Global and Indian Banks across Corporate Banking, Risk Management, Corporate Finance, Relationship Management, Investment Banking, Corporate Strategy and Governance. She has worked closely with India's corporate leaders across sectors and supported them in building their businesses.

In a career spanning over 3 decades, Kavita has held diverse leadership positions with Abu Dhabi Commercial Bank, India (CEO), Kotak Mahindra Bank Limited, ANZ Grindlays Bank, Standard Chartered Bank, Yes Bank Limited, etc.

Presently, she is on the Board of several listed and unlisted companies and is also chairperson/member of various board level committees of such companies.

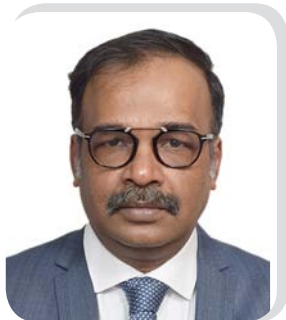
Kavita holds Master of Business Administration from Faculty of Management Studies, University of Delhi & Bachelor of Arts, Economics Honours from Lady Shri Ram College, University of Delhi.



#### **Mr. Varun Saxena – Non-Executive Director**

Varun is Chartered Accountant with over 18 years of experience in Operations, Technology and Risk, spread across Banking, Commodities, and Infrastructure industries. Currently, he is working with Brookfield as Vice President of Portfolio Management. His experience also includes managing Regulators, chairing Governance Committees, managing investor relations and Acquisition Due Diligence.

## **SENIOR MANAGEMENT OF THE INVESTMENT MANAGER**



**Mr. Suchibrata Banerjee**  
Chief Financial Officer

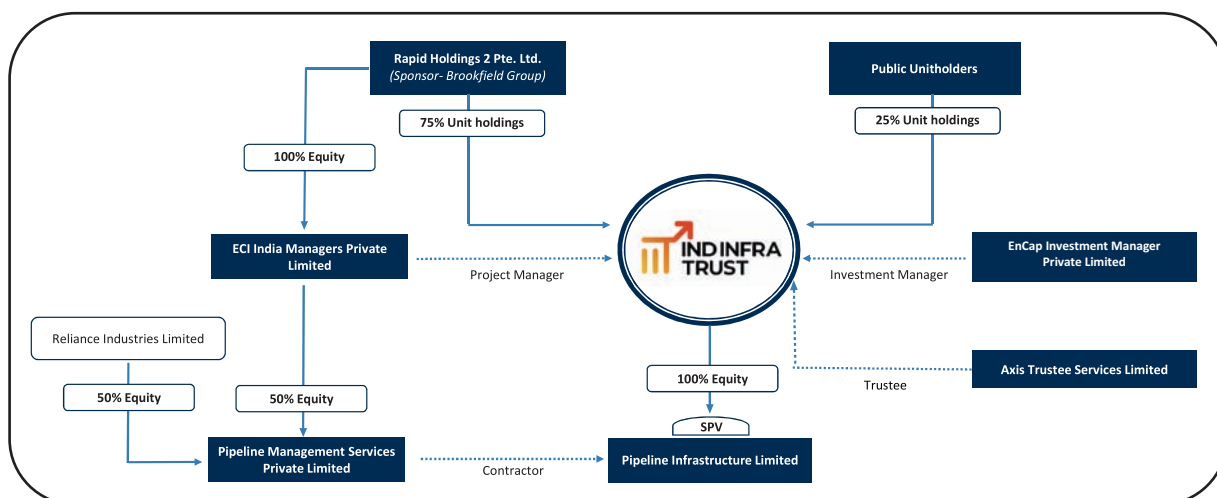


**Mr. Vikas Prakash**  
Company Secretary & Compliance Officer

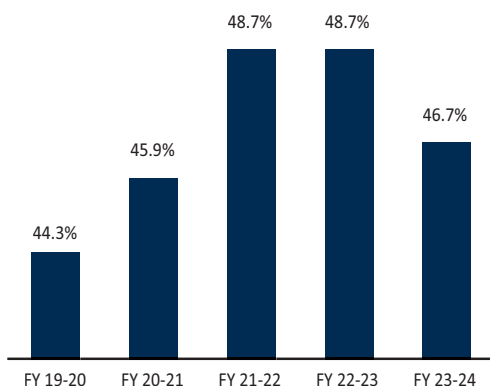


**Mr. Sourav Gupta**  
Chief Risk Officer

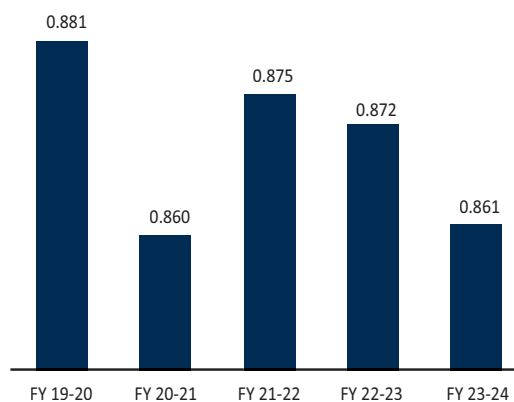
## Corporate Structure - India Infrastructure Trust



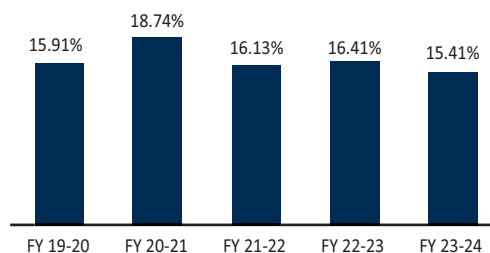
Debt to AUM (Asset Under Management)



Debt to Assets (in times)

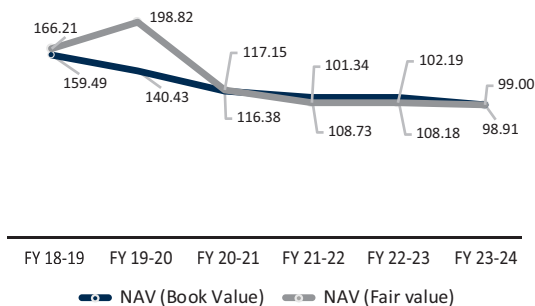


Yield (%)



Yield = Total Distribution/ Volume weighted average Price  
Total Distribution = Return on capital+ Return Of capital + Other Income

NAV - Book Value & Fair Value (Rs. per unit)

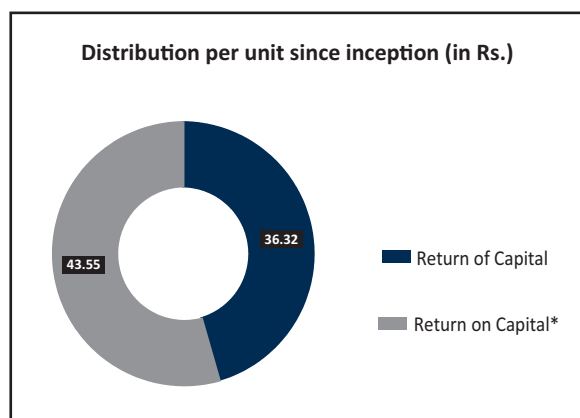


\*Book value and Fair value are on consolidated basis.

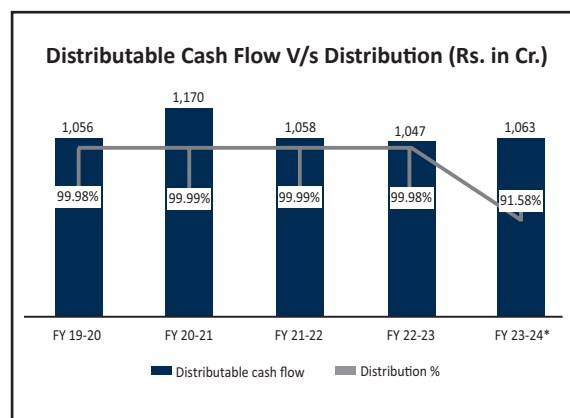
## Net Distributable Cash Flow

Rs. in Cr.

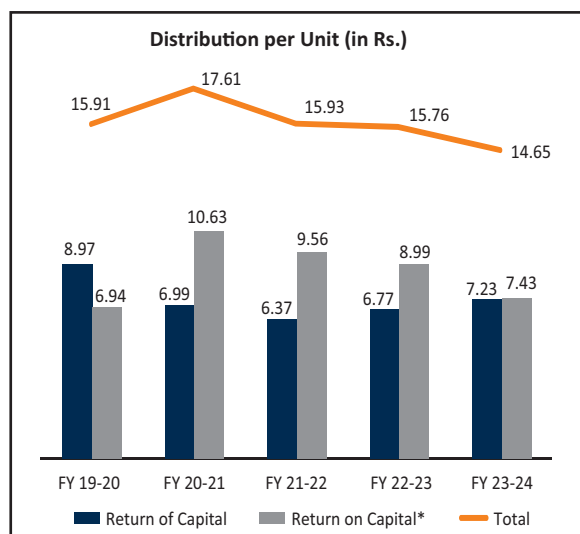
Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Total Cash Inflow at InvIT level (A)	7,639	1,180	1,065	1,058	1,076	12,020
Total cash outflows/retention at the Trust level (B)	6,607	11	8	12	14	6,651
Net Distributable cash Flow (A-B)	1,032	1,170	1,058	1,047	1,063	5,369
Opening Cash in hand available for distribution	25	0	0	0	0	25
Total Net Distributable Cash Flows	1,056	1,170	1,058	1,047	1,063	5,393
Distribution during the year	1,056	1,170	1,057	1,047	973	5,303
Distribution %	99.98%	99.96%	99.95%	99.96%	91.56%	98.33%



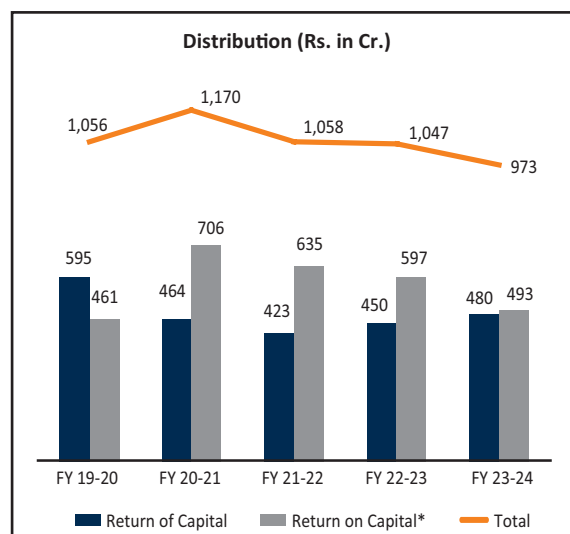
\* Including Other Income



\* In FY 2023-24, distributable cash flow was retained for refinancing the NCDs at SPV level, same has been released in Q1 of FY 2024-25.

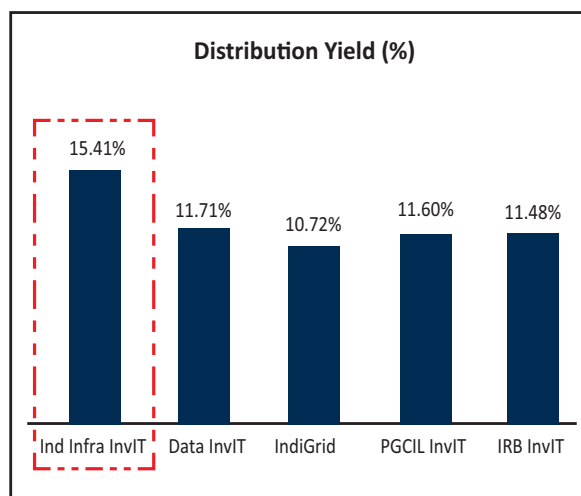
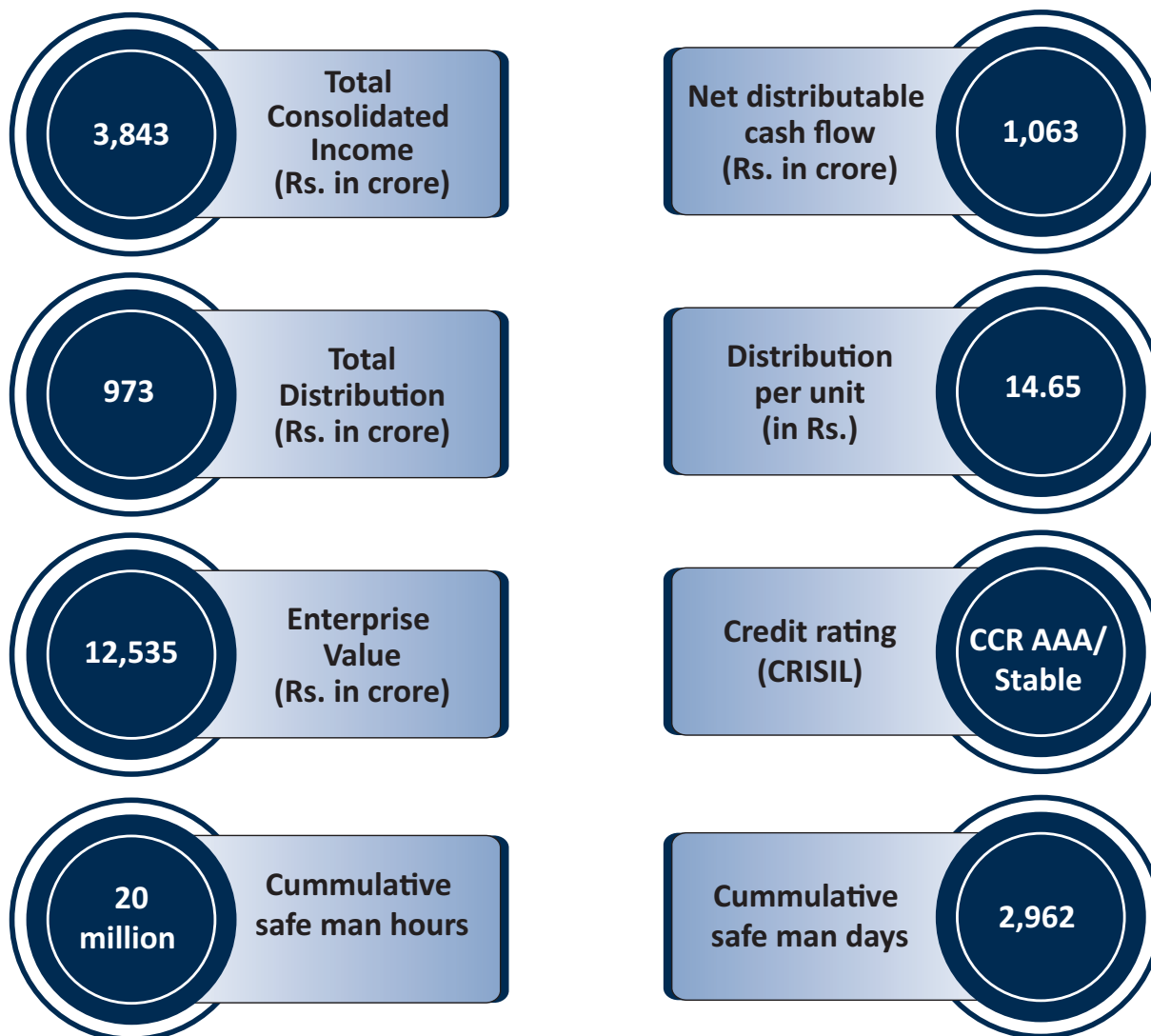


\* Including Other Income



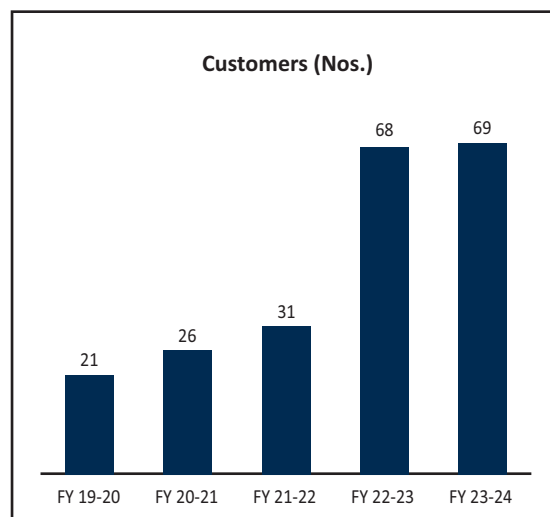
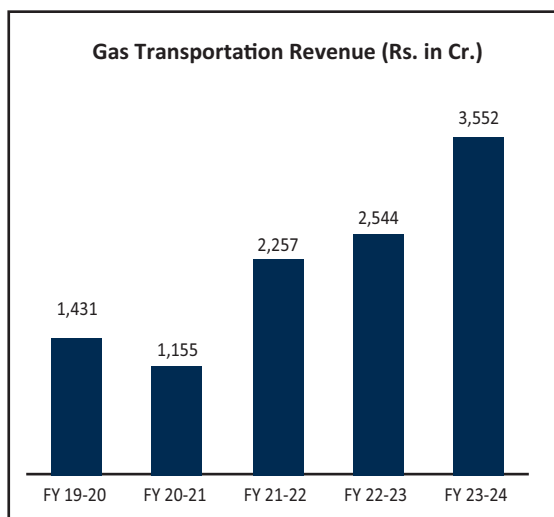
\* Including Other Income

## Key Performance Indicators FY 2023-24



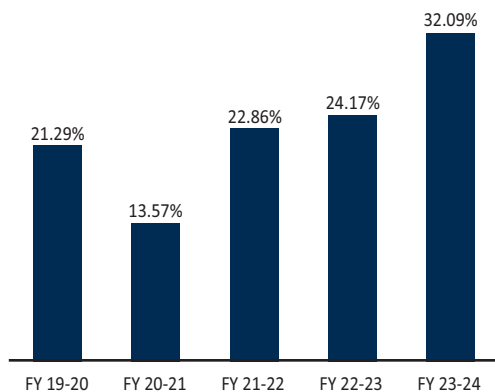
*Yield = Total Distribution/ Volume weighted average Price (VWAP), Total Distribution = Return on capital+ Return Of capital + Other Income, Calculated based on DPU divided by VWAP for the FY 2023-24, VWAP of FY 2023-24 as per BSE/NSE website*

## SPV - Pipeline Infrastructure Limited



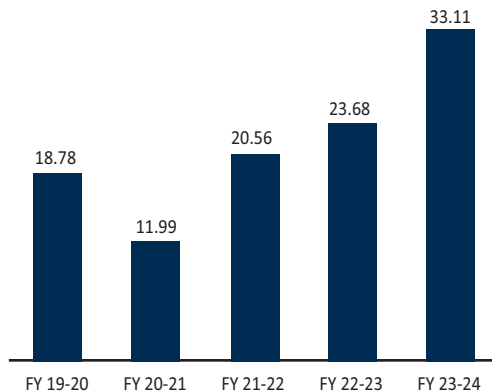


Percentage Utilisation of Declared Pipeline Capacity

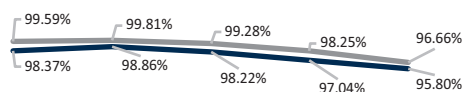


\*Declared capacity is 85 MMSCMD.

Total gas volumes transported (in MMSCMD)

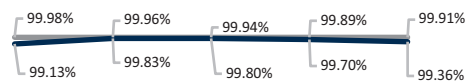


Critical Equipment Availability



FY 19-20 FY 20-21 FY 21-22 FY 22-23 FY 23-24  
 — GTC — GEG

Critical Equipment Reliability



FY 19-20 FY 20-21 FY 21-22 FY 22-23 FY 23-24  
 — GTC — GEG

# **REPORT OF INVESTMENT MANAGER**

## REPORT OF THE INVESTMENT MANAGER OF INDIA INFRASTRUCTURE TRUST FOR THE YEAR ENDED MARCH 31, 2024

India Infrastructure Trust ("Trust") was set up by Rapid Holdings 2 Pte Ltd. ("Sponsor") on November 22, 2018, as a contributory irrevocable Trust under the provisions of the Indian Trusts Act, 1882. The Trust was registered as an Infrastructure Investment Trust under Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("SEBI InvIT Regulations") on January 23, 2019, having registration number IN/InvIT/18-19/00008.

The investment objectives of the Trust are to carry on the activities of an Infrastructure Investment Trust, as permissible under the SEBI InvIT Regulations, by initially acquiring the Initial Portfolio Asset in the first instance and to make investments in compliance with the provisions of the SEBI InvIT Regulations.

The Initial Portfolio Asset of the Trust is a pipeline system used for the transport of natural gas ("Pipeline"). A 48 - inch diameter bi-directional pipeline with overall network length of 1480 km, including spur lines and interconnects, traversing major cities and the states of Andhra Pradesh, Telangana, Karnataka, Maharashtra and Gujarat, owned by Pipeline Infrastructure Limited ("PIL"), the only Special Purpose Vehicle of the Trust.

The units of the Trust are listed on BSE Limited since March 20, 2019.

### MANAGEMENT DISCUSSION AND ANALYSIS BY THE INVESTMENT MANAGER AND DETAILS OF ASSET OF THE TRUST

#### Economic Overview

##### Global Economy

As per IMF's World Economic Outlook, Global GDP growth is expected to be steady and continue at the same pace of 3.2% as it was in 2023. A slight acceleration for advanced economies where growth is expected to rise from 1.6% in 2023 to 1.7% in 2024 will be offset by a modest slowdown in emerging market and developing economies from 4.3% in 2023 to 4.2% in 2024.

Global natural gas markets moved towards a gradual rebalancing in 2023, despite tighter supply fundamentals. Decline in gas demand in Europe and mature markets in Asia led to softening of gas prices in 2023 over 2022. During the year, the global gas demand grew by only 0.5%. China regained its position as the world's largest Liquefied Natural Gas ("LNG") importer as its natural gas demand grew by 7%. Natural gas consumption in Europe declined by 7% as a result of the rapid expansion of renewables and an increased availability of nuclear power. On the supply side, gas availability remained relatively tight in 2023, as the increase in global LNG production fell short of projections. The growth in gas production was not able to offset the continued decline of Russian piped gas deliveries to Europe.

During the year, global LNG trade expanded by 2% y-o-y [ $\sim 12$  billion cubic metres ("bcm")]. Growth was driven primarily by the US on the supply side, which accounted for 80% of incremental global LNG volumes. The Asia Pacific region led LNG demand growth, accounting for virtually all incremental imports. US became the largest LNG exporter, exporting 116 bcm, surpassing both Australia and Qatar, tied at 106 bcm. Together, these three top LNG exporters accounted for more than 60% of global LNG supply. From a demand perspective, China regained its position as the world's largest LNG importer in 2023, ahead of Japan and Korea. The Asia Pacific region returned to growth in 2023, with overall LNG imports increasing by 4% ( $\sim 14$  bcm). This was primarily driven by China (up by 14% or 11.5 bcm), Thailand (up by 40% or 4 bcm) and India (up by 11% or 3 bcm). In contrast, LNG imports declined sharply in the mature markets of Asia, principally Japan (down by 8% or 7.5 bcm) and Korea (down by 3% or 2 bcm).

Global natural gas demand is projected to rise by 34% from 4,015 bcm in 2022 to 5,360 bcm in 2050. Rising population, economic activity, and policies aimed at air quality improvements, reducing GHG emissions, renewable power system stability, universal clean cooking access, and coal- and oil-to-gas switching are the key determinants behind the forecast.

The power generation sector is poised to be the main area of natural gas demand expansion, adding 500 bcm and accounting for 37% of the total growth. This is due to the strong rise in electricity needs and policies to phase down coal-fired power generation capacity. Moreover, as the share of renewables increases, natural gas fired power generation is projected to become increasingly instrumental. It will provide essential flexibility and backup support to solar and wind power, and to hydropower during periods of drought.

The industrial sector is forecast to provide additional demand of 275 bcm, equivalent to 20% of incremental volumes between 2022 and 2050. Natural gas retains its place as a primary fuel suited for medium and high temperature industrial processes. Moreover, natural gas use in industry rises as a feedstock, underpinned by growing need for petrochemicals and fertilisers, with the latter contributing to agricultural sector productivity and food security.

The transport sector emerges as an important demand centre on the back of stricter environmental regulations and supportive policies. The use of natural gas in road and marine transport is forecast to rise by around 220 bcm over the forecast period, mainly driven by LNG as bunker fuel and in heavy goods vehicles. From a regional perspective, the bulk of future natural gas demand growth is expected to come from fast-growing Asia Pacific markets and gas-rich Middle Eastern and African countries. Asia Pacific alone is forecast to add almost 700 bcm and account for 52% of the global net demand growth during the outlook period, with China, India, and Southeast Asia countries in the lead.

Geopolitical uncertainties are the biggest risk factor for global gas markets in 2024, as Russia-Ukraine conflict, rising tensions in the Middle East and concerns over deliberate interference with critical infrastructure such as pipelines have the potential to generate further volatility in the gas markets.

*[Source: IEA Gas Market report Q1 2024/IMF World Economic Outlook]*

### Indian Economy

Despite global economic challenges with growth rates barely surpassing 3%, India registered GDP growth of 7.5% in FY 2023-24, marking the third consecutive year of over 7% growth. This growth is attributed to increased public sector investment, a robust financial sector, and strong non-food credit expansion. Various agencies (e.g., RBI, IMF, and World Bank) have estimated India's GDP growth for the FY 2024-25 to be "strong" in the range of 6.8% - 7%.

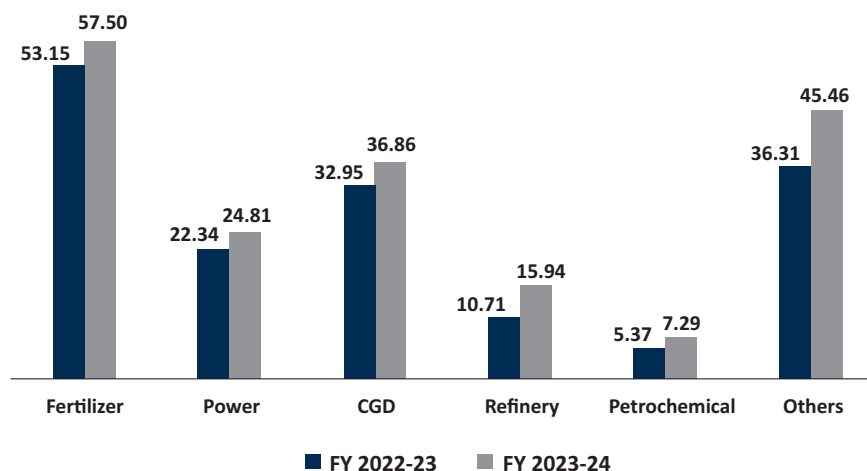
As per the data released by Ministry of Commerce & Industry, the output of India's eight core industries increased by 5.2% in March 2024 over the corresponding period of previous year. The cumulative expansion during April 2023 to March 2024 has been 7.5%. The output of Coal, Crude Oil, Natural Gas, Refinery products, Fertilizers, Steel, Cement, and Electricity increased by 11.7%, 0.6%, 6.1%, 3.4%, 3.7%, 12.3%, 9.1% and 7%, respectively, during FY 2023-24 over the previous financial year.

Natural Gas Production in India rose to 99.56 Million Metric Standard Cubic Meters Per Day ("MMSCMD") in FY 2023-24 from 94.38 MMSCMD in FY 2022-23. The 6% rise in production was contributed by increased gas production from Reliance Industries Limited ("RIL") - British Petroleum Joint Venture cluster fields in KG-D6 block and Oil and Natural Gas Corporation ("ONGC") fields on east coast. LNG Imports increased from 72.07 MMSCMD in FY 2022-23 to 84.70 MMSCMD in FY 2023-24, thereby increasing the import dependency from 44% in FY 2022-23 to 46% in FY 2023-24. The share of natural gas in total primary energy is expected to reach 11% in 2050 supported by demand from Industry and heavy road transport.

PIL participated in India's flagship energy event India Energy Week in February 2024. Inaugurating the India Energy week, Prime Minister Narendra Modi said India will witness a USD 67 billion investment in the natural gas supply chain in 5-6 years as part of "unprecedented" investments flowing into the energy sector to meet the needs of the world's fastest growing major economy. He further added that reforms by Indian government are leading to a rise in domestic natural gas production as part of the wider aim to increase the share of the fuel in the energy basket to 15% by 2030 from current 6.3%. India is the world's third largest energy, oil, and LPG consumer. The Indian energy sector is progressively becoming a key driver of global energy demand growth, especially as demand from China plateaus. During the event, both Indian and foreign energy players appeared eager to capitalize on opportunities in the South Asian country, with conversations on and off stage providing a glimpse of what's in store for India's energy markets. Govt of India invited global investors to seize the opportunity to invest in the world's fastest growing energy market.

Sector wise consumption of Natural Gas for FY-2023-24 and its comparison with FY-2022-23 is shown below:

**Trend of Sectoral Natural Gas consumption in India (MMSCMD)**



PIL Pipeline of 1480km length and with declared capacity of 85 MMSCMD constitutes nearly 6% of the 23,391 km of operational Natural Gas Pipeline Network in India. In capacity terms, PIL pipeline constitutes 25% of the design capacity and contributes to nearly 18% of the total gas volumes transported in India.

India is in the midst of modernizing and expanding its gas pipeline network as ~10,000 km of pipeline are under construction at an estimated cost of ~USD 18 billion. India has already established National Gas Grid of major interconnected natural gas pipeline networks thereby ensuring gas is available to consumers across the country through Unified tariff regime. PNGRB is taking various initiatives to integrate southern region with rest of the country and has invited bids for authorization of gas pipelines in southern part of the country.

As PIL pipeline is an integral part of India's National Gas Grid, it will be a growth opportunity for PIL as network growth connecting to southern region will ensure enhanced gas flow through PIL pipeline. As PIL links eastern and western parts of the country today, in future PIL pipeline could be the vital link connecting western/northern parts of the country to southern region, thereby maximizing access of natural gas across the country. It could also be an expansion opportunity in case PIL decides to submit bids for the proposed greenfield pipelines.

[Source: PPAC/PNGRB Data Bank/Ministry of Commerce & Industry/IMF World Economic Outlook/RBI Economic Survey 2024]

### Asset Overview

During the period under review and as on the date of this Report, the Trust (along with its 6 Nominees holding 1 share each) holds 100% of the issued equity shares of PIL. The Trust has only one asset i.e. the PIL Pipeline.

PIL's principal business is operation of the Pipeline for transportation of natural gas for the benefit of its customers. In June 2019, PIL received the approval of Petroleum and Natural Gas Regulatory Board ("PNGRB") for transfer of authorization for the Pipeline in its name.

The trunk pipeline owned by PIL is 48-inch in diameter and 1480 km in length, and traverses five states starting from Kakinada in Andhra Pradesh to Bharuch in Gujarat, with declared capacity of 85 MMSCMD. The pipeline includes a network of 10 Compressor Stations ("CS") and 2 Pipeline Operation Centres ("POCs"), which incorporate modern telecommunication, emission control and operational systems for safe and efficient operations. POCs ensures safe monitoring and remote operation of PIL pipeline and associated above ground facilities viz. compressor station, main line valves, metering and regulating stations etc. Both the POCs are equally equipped with state-of-the-art control and monitoring systems such as Supervisory Control and Data Acquisition ("SCADA"), Fire & Gas Detection at Pipeline installation, Alarm Management, Custody Transfer Measurements of Gas, video surveillance, etc. and can operate as primary and backup operation center.

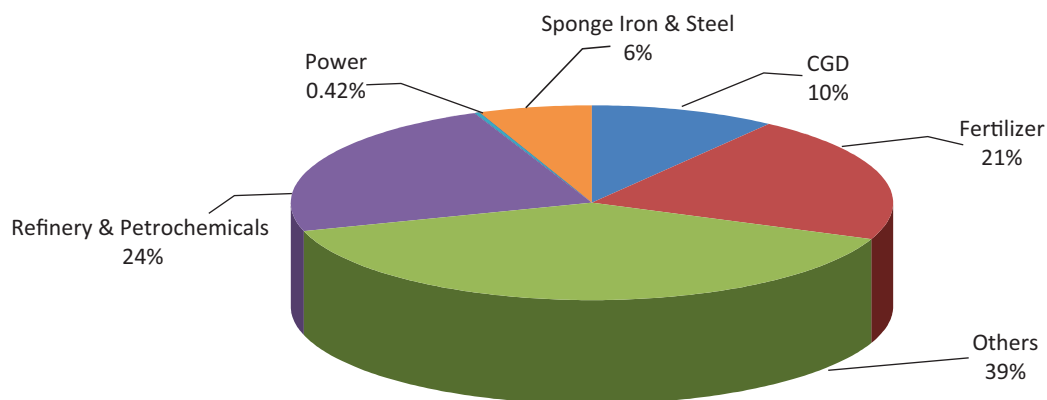


Interconnects/spur lines have been installed for delivering gas to the customers either directly or through third party networks, with a cumulative length of approximately 110 km. All tie-ins/terminals have been provided with ultrasonic metering systems along with pressure regulation/control and gas quality measurement systems. The 48-inch uniform diameter steel pipeline is externally coated with 3 LPE (three-layer polyethylene), internally coated with epoxy lining for flow improvement, helical submerged arc welded, and longitudinal submerged arc welded. Furthermore, to supplement the coating system to protect against external corrosion, impressed current cathodic protection has been provided.

PIL Pipeline is the country's first bi-directional pipeline, interconnected to major pipeline networks such as Hazira-Vijaipur-Jagdishpur ("HVJ") /Dahej Vijaipur Gas Pipeline ("DVPL") in Gujarat and Dahej -Uran-Panvel Pipeline ("DUPL") in Maharashtra and KG Basin network in Andhra Pradesh [owned and operated by GAIL (India) Limited ("GAIL")], Gujarat State Petronet Limited ("GSPL") Pipeline in Gujarat as well as GSPL India Transco Pipeline in Andhra Pradesh. In addition, the Pipeline is connected to a few direct customers including 16 City Gas Distribution ("CGD") customers. Further, PIL Pipeline is connected to various domestic gas sources such as KG-D6 gas block operated by Reliance Industries Limited ("RIL") & British Petroleum ("BP") as well as ONGC gas fields on the east coast and to LNG terminal operated by SHELL Energy India Private Limited in the state of Gujarat, on the west coast. The Pipeline also transports gas from LNG terminals at Dahej and Dabhol through inter-connected pipelines of GAIL and GSPL. PIL is continuously evaluating options to connect other terminals and cross-country pipelines that may come up in future.

PIL Pipeline is an important link in India's national gas grid and is an integral member of Unified tariff regime. PIL's customers are as diversified as Refineries, Fertilizers, Petrochemicals, Power and CGD. Apart from the gas transportation services, PIL is offering Imbalance Management Services such as parking and lending to the customers to help them manage their different gas portfolios and demand-supply gaps.

**PERCENTAGE OF TOTAL VOLUME TRANSPORTED BY PIL PIPELINE IN FY 2023-24**



### Operational Performance

The Pipeline system has crossed the mark of 140.73 Billion Standard Cubic Meter ("SCM") cumulatively for gas transportation since commencement of operations in 2009. The Pipeline delivered 9.983 Billion SCM during the year FY2023-24. The Pipeline transported physically a volume of 27.28 MMSCMD as compared to 20.54 MMSCMD in FY 2022-23.

Majority of PIL's income on a combined basis is from the receipt of gas transportation charges from its customers pursuant to gas transportation agreements. Other operating income comprises of income from Imbalance Management Services relating to storage of gas in the pipeline and income received in relation to hook-up facilities provided by PIL.

The Pipeline capacity utilization for FY 2023-24 based on the declared capacity of 85 MMSCMD is 32.47%. The contractual volume transported is 33.11 MMSCMD. As a result of prudent maintenance, the Critical Equipment Availability was 97.7% and Reliability was 99.8%.

PIL successfully executed several new projects during the year. Mechanical completion of 2 new connectivity projects, namely M/s. AGP City Gas Private Limited ("M/s. AGP") at Metering & Regulating Station 65 ("M&R65") and M/s. Bhilosa Industries at M&R65 was achieved during the year. Completion of 1 CGD connectivity projects, namely M/s. Haryana City Gas at M&R66 is planned for FY 2024-25. These connectivities will facilitate the flow of additional gas volumes through PIL Pipeline. In view of the future business requirement, the revival of CS07 (as backup to CS06) was completed in a safe manner and to facilitate and regulate higher gas volumes through CS10, commissioning of additionally installed Gas After Cooler ("GAC") & scrubber (shifted from CS08) at CS10A was completed with zero safety incident.

Further, to attain greater operational efficiency, PIL also underwent few technology upgradation activities during the year that include installation and commissioning of Remote Terminal Unit ("RTU") System at CS03, CS06, CS07 & CS10. Critical bank protection measure at Gowtami Godavari river pipeline crossing location successfully completed through stone pitching for 1.6 km (L), 13 meters (H) in order to maintain the pipeline integrity. Upgradation of CGD skid Suction & Discharge Valve Actuators at CS04, CS05, CS06 & CS07 was undertaken to prevent closing of actuators due to fluctuations in power supply and ensuring continuous gas flow to customers without any interruption. Metering system upgradation was done at M&R Bhadbhut-Jamnagar and M&R Ankot skids, improving measurement accuracy and enhancing the service life. Conceptualized & implemented Integrated CCC control of all GTC units (5 nos.) under single Master Controller at CS10, which will enable Fuel Saving and achieving operational flexibility during parallel operations of CS10A & B. Major Inspection of GTC-C unit at CS10B was completed at 32K hours, as per OEM, enabling improved reliability and maintaining equipment lifecycle. In view of business continuity and higher future volumes, GEG control system upgrade with Dia. Ne XT4 version was completed for all GEG units at CS03, CS06, CS10 to ensure power reliability for compressor station operations.

PIL had engaged M/s. DNV to perform a Gap assessment for Process Safety Management with an aim to evaluate our adherence to Centre for Chemical Process Safety ("CCPS") standards thus, strengthening our focus on process safety. PIL also organized the 2nd edition of Annual Vendor Convention 2023 – Empowering Partnerships, which witnessed active participation from 40+ vendors. The event facilitated vendors to present their latest technology/products focusing on digitizing data, environment conducive for smooth business operation, and innovation. Vendor stalls were arranged for them to showcase their products and solutions, fostering meaningful interactions and business opportunities.

In the area of competency development, the multi-tasking training for field engineers and technicians was undertaken across all CS, thus preparing the field personnel to handle activities when required outside their core domain area. A workshop of "Step-Up Program on Maintenance & Reliability Excellence" was conducted to promote & develop Reliability Excellence culture at HO/Field. The session deliberated on bottom-up approach to improve Asset Performance, SAP Data Quality improvement, etc.

Moving a step towards Digitization & Lean Process, 2nd Phase of Integrated Pipeline Intrusion Management System ("PIMS") Software was successfully made LIVE enabling comprehensive data inputs, verification, and analysis of Pipeline Integrity activities on a single application.

### Health, Security, Safety and Environment ("HSSE")

PIL considers and emphasizes on HSSE as its core value for the safety and health of employees, contractor workforce and community at large. PIL strives to ensure that individuals return home safely every day while ensuring GOAL ZERO - NO HARM & NO LEAKS. PIL is committed to the governing principles that every HSSE incident including any occupational injury and illness can be prevented.

The HSSE performance has improved significantly over the years. There were no serious safety, security, health, and environment incidents during the year. However, 5 high risk (potential) incidents were reported. All the incidents were investigated, and recommendations were tracked to closure. It was a Lost Time Injury ("LTI") free year. As on March 31, 2024, PIL completed cumulative 20.11 million safe man-hours and 2962 days without LTI.



The health, safety, and wellbeing of Employees are central to PIL's overall business strategy. Due to the inherent nature of operations, it poses a significant health and safety risks while performing the daily tasks. In response, PIL is committed to a holistic approach that integrates health, safety, and wellbeing into a unified program known as the "PIL Wellbeing and Safety Culture Program."

To further enhance its commitment, PIL has launched an Occupational Health & Safety and Wellbeing initiative in partnership with the British Safety Council. This initiative underscores our dedication to maintaining a safe and healthy working environment for all.

In line with good practices and industry experience, PIL commenced a project to integrate HSSE systems through a new application, which would enable improved reporting, provide new data insights, and help in seamless data integration.

PIL is certified under the Emergency Response and Disaster Management Plan (ERDMP) by PNGRB approved third-party inspection agency. PIL regularly conducts emergency mock drills to assess the preparedness and response capabilities, use feedback from these drills to continuously improve the mitigation measures. Recently, an off-site emergency mock drill was conducted at CS02, CS03, and CS04 areas. These drills were observed by statutory and administrative authorities, including emergency services.

### Human Capital

Employees are the biggest asset of an organization. PIL is dedicated to holistic employee development, offering opportunities for career growth and learning within a safe and secure environment. The Company strives to foster a culture that is both diverse and inclusive.

PIL has a diverse and inclusive hiring process. It provides equal opportunity to existing and prospective candidates and does not discriminate based on caste, religion, color, nationality, age, gender, sex and disability status. PIL has made significant strides in improving gender diversity within its workforce since its inception, increasing from 2% to 17%. PIL remains committed to offering opportunities to women, including roles in the field and at middle and senior management levels.



The Employee Value Proposition at PIL encompasses practices pertaining to reward and benefits, career advancement, work environment and a culture based on openness and collaboration. PIL's efforts have resulted in an highly engaged workforce, characterized by low attrition rate and performance-based culture.

During the year under review, PIL has been certified as the Great Place to Work (received thrice since 2019). This recognition is a testament to PIL's mission to create a workplace that not only strives for excellence but also prioritizes the wellbeing of every individual within the team.

### Financial Performance

The Financial year ended March 31, 2024, was PIL's fifth full financial cycle since it was incorporated on April 20, 2018.

Brief details of financial performance of PIL for the financial year ended March 31, 2024, are as under:

Particulars	(Amount in Rs. Crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Turnover	3,666.36	2,744.02
Other Income	172.96	56.41
Fair value gain / (loss) on Non Convertible Debentures measured at FVTPL	(533.82)	517.25
Total Income	3,305.50	3,317.68
Profit / (Loss) before Tax	(239.12)	500.98
Less: Current Tax	-	-
Deferred Tax	-	-
Profit / (Loss) for the year	(239.12)	500.98
Add: Other Comprehensive Income / (Loss)	0.06	(0.51)
<b>Total Comprehensive Income/ (Loss) for the year attributable to the owners of the Company</b>	<b>(239.06)</b>	<b>500.47</b>

During the financial year 2023-24, PIL transported an average 33.11 MMSCMD (at gross conversion value of 37000 BTU per SCM) of gas volume and earned a transportation revenue of Rs. 3,654.38 crores, including the revenues under Imbalance Management Services which PIL offered as value added service to customers.

### Revenue from Operations

Particulars	(Amount in Rs. Crore)	
	FY 2023-24	FY 2022-23
Gas Transportation revenue	3,551	2,544
Third party pipeline revenue	0	24
Imbalance Management Services	102	166
Hookup Income	11	8
<b>Total</b>	<b>3,664</b>	<b>2,742</b>

EBIDTA for the FY 2023-24 is Rs. 2,368.39 Crore as against Rs. 2,108.51 Crore for FY 2022-23 (excluding fair value loss/gain on Non-Convertible Debentures measured at Fair Value).

## Business Outlook

As per Global Gas Outlook 2050 published by the Gas Exporting Countries Forum (GECF), the global natural gas production is forecast to rise by 1.3 tcm between 2022 and 2050, reaching 5.3 tcm by 2050. The annual growth rate is forecast at 1% over the entire period. Conventional natural gas production is projected to reach 3.9 tcm by 2050, while unconventional gas output is forecast to reach 1.4 tcm. Non-associated natural gas from conventional fields is the largest component of global gas production and is projected to continue dominating production through 2050. This type of fields are forecast to reach 3,440 bcm in 2050, accounting for 64% of total gas production by that time. Offshore natural gas production is forecast to grow at a faster rate than onshore gas production. Specifically, offshore gas output is projected to expand at an average annual rate of 1.6%, reaching 1.8 tcm by 2050.

India is actively targeting to achieve a share of 15% for natural gas in its energy mix by 2030. This goal is to be achieved through the expansion of pipeline networks, construction of LNG terminals, and support for domestic production. Natural gas production in India has been on an upward trajectory since 2020, surging from 24 bcm to 35 bcm in 2023. A significant portion of this increase is attributed to offshore production, accounting for over 70% of the overall production growth. Introduced in 2016, the Hydrocarbon Exploration and Licensing Policy (HELP) sought to enhance India's upstream sector regulations, attract foreign investment, and expedite exploration activities. This initiative introduced revenue-sharing contracts (RSC) as a replacement for conventional Production Sharing Contracts (PSCs). The shift aimed to streamline operations, address challenges such as cost recovery and stimulate increased exploration opportunities, ultimately enhancing the country's upstream activities.

Oil and Natural Gas Corporation (ONGC) is planning to boost its natural gas production by 25% by 2025 from 2022 level through intensified exploration. In recent developments, ONGC announced the discovery of a gas field in the Mumbai basin and an onshore discovery in the Krishna Godavari basin. These reforms have fostered greater international participation in India's upstream sector. For example, RIL & BP have brought three offshore fields into production since 2020 in KG-D6 block. The R-series commenced production in 2020 followed by the Satellite Cluster in 2021 and most recently, the MJ field in 2023. It is estimated that, at their peak, these fields are to collectively produce 10 bcm to meet domestic demand in India. It is expected that India is expected to achieve a natural gas production level of 50 bcm by 2050, with 95% of this production originating from offshore projects.

With the fast-changing business scenario, PIL will continue to build a strong business portfolio and identify growth opportunities to ensure that our stakeholders look back at us with pride. In view of this, PIL has signed an Memorandum of Understanding ("MoU") with GAIL to collaborate towards the development of Hydrogen-based economy in India. The MoU aims at collectively exploring the feasibility, desirability, and viability of hydrogen as a source of energy and thus build a partnership between the companies.

The Natural gas pipeline network has the potential of transporting Hydrogen from producing locations to consumption areas, and the use of Hydrogen blended Natural Gas in City Gas Distribution (CGD) networks will reduce reduces emissions. The PNGRB continues to drive sustainable energy initiatives in India by promoting Hydrogen blending into Natural Gas (NG) infrastructure. The Regulatory Frameworks will be suitably amended to facilitate the achievement of 5 MMT (Million Metric Tonne) per annum target of Hydrogen consumption by 2030 <sup>1</sup>.

On the regulatory front, PNGRB has amended PNGRB (Determination of Natural Gas Pipeline Tariff) Regulations to incorporate the regulations pertaining to Unified Tariff for National Gas Grid System (NGGS) to achieve a mission of "One Nation, One Grid and One Tariff". This reform especially benefits the consumers located in the far-flung areas where earlier, the additive tariff was applicable and facilitate development of gas markets and vision of government to increase the gas utilization in the country. Further, PNGRB has also initiated discussions by constituting committees to deliberate Gas Access Bulletin Board (GABB), Natural Gas Pipeline Access Code Regulations and Dedicated Hydrogen Pipeline. PIL is a member to all three committees.

<sup>1</sup> /<https://pngrb.gov.in/pdf/press-note/PressRelease04082023.pdf>



### Trust's holding in PIL's Debt Capital

On March 22, 2019, PIL had issued and allotted 12,95,00,000 - unlisted, secured, redeemable, non-convertible debentures ("NCDs"), of face value of Rs. 1,000 each, aggregating to Rs. 12,950 Crore, on private placement basis, to the Trust, from which the Trust derived interest income. The said NCDs have been issued for a term of 20 years from the date of allotment.

On April 23, 2019, PIL had redeemed 6,45,20,000 NCDs of Rs. 1,000 each aggregating to Rs. 6,452 Crore, at par, out of 12,95,00,000 NCDs issued on March 22, 2019. The proceeds from the redemption was utilised by the Trust to redeem the Trust NCDs.

Accordingly, as on March 31, 2024, the face value of the remaining 6,49,80,000 NCDs of Rs. 1,000 each has been reduced to Rs. 778.31 each (as on the date of this report Rs. 763.81 each).

During the year under review, the Trust has earned Rs. 571.54 Crore as interest income from PIL.

### Details of revenue during the year from the underlying project

Majority of PIL's income is from the receipt of gas transportation charges from its customers pursuant to gas transportation agreements. Other operating income comprises of income from Imbalance Management Services relating to storage of gas in the Pipeline and income received in relation to hook-up facilities provided to customers.

During the financial year ended March 31, 2024, average daily flow of natural gas through PIL Pipeline was 33.11 MMSCMD (at gross calorific value of 37,000 BTU per SCM). During the financial year 2023-24, PIL generated a revenue of Rs. 3,666.36 Crore from its operations and Rs. 172.96 Crore as interest and other income.

### FINANCIAL INFORMATION AND OPERATING EXPENSES OF THE TRUST

Summary of Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2024, is as follows:

(Amount in Rs. Crore)

Particulars	Financial Year ended March 31, 2024		Financial Year ended March 31, 2023	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	1,110.10*	3,842.70	94.10*	2,803.14
Total Expenditure	29.43	3,019.24	22.94	2,255.89
Profit before tax	1,080.67	823.46	71.16	547.25
Less: Provision for tax				
Current tax	1.44	1.44	1.17	1.17
Deferred tax	-	-	-	-
Profit for the year	1,079.23	822.02	69.99	546.08
Other Comprehensive Income / (Loss)	-	0.06	-	(0.51)
<b>Total Comprehensive Income for the year</b>	<b>1,079.23</b>	<b>822.08</b>	<b>69.99</b>	<b>574.57</b>

\* Includes fair valuation gain/ (loss) on NCDs.

Key operating expenses of the Trust for the financial year ended March 31, 2024 and March 31, 2023, are as follows:

(Amount in Rs. Crore)

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
<b>EXPENSES</b>		
Valuation Expenses	0.23	0.23
Audit Fees	2.62	2.66
Project Management Fees	1.77	1.77
Investment Management Fees	2.83	2.83
Trustee Fee	0.21	0.21
Custodian Fee	0.38	0.40
Fair value loss on put option	1.00	1.30
Fair value loss on call option	14.46	12.68
Other Expenses	5.93	0.86
<b>Total Expenses</b>	<b>29.43</b>	<b>22.94</b>

Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2024 along with the Report of Auditors thereon form part of this Annual Report.

#### SUMMARY OF THE VALUATION AS PER THE FULL VALUATION REPORT AS AT THE END OF THE YEAR

Pursuant to the approval of the unitholders of the Trust, Mr. S. Sundararaman, Registered Valuer (IBBI Registration Number: IBBI/RV/06/2018/10238) ("Valuer"), was appointed as the Valuer of the Trust to carry out the valuation of Trust Assets for the FY 2023-24 in accordance with SEBI InvIT Regulations.

In terms of the provisions of regulation 10 and regulation 21(4) of the SEBI InvIT Regulations, the Valuation Report dated May 23, 2024 for the financial year ended March 31, 2024, issued by the Valuer of the Trust, has been filed with BSE Limited on May 24, 2024 i.e. within the prescribed timelines and the same is also available on the website of the Trust at [www.pipelineinvit.com](http://www.pipelineinvit.com). The Valuation Report is also attached as **Annexure A** to this Report.

As per the Valuation Report, InvIT Asset has been valued using Discounted Cash Flow ("DCF") Method under Income Approach. Free Cash Flow to Equity model under the DCF Method has been used to arrive at the value of InvIT Asset.

The Enterprise Value of Trust Asset attributable to the Trust pursuant to the agreed terms of the Transaction Documents is arrived at Rs. 12,535.40 Crore.

#### VALUATION OF ASSETS AND NET ASSET VALUE ("NAV")

Pursuant to the provisions of Regulation 10 of the SEBI InvIT Regulations, the NAV of the Trust was computed based on the valuation done by the Valuer and the same has been disclosed as part of the Audited Financial Information of the Trust filed with BSE Limited on May 24, 2024 and is also available on the website of the Trust at [www.pipelineinvit.com](http://www.pipelineinvit.com).

Standalone Statement of Net Assets of the Trust at Fair Value as at March 31, 2024 is as under:

(Amount in Rs. Crore)

Particulars	Financial Year ended March 31, 2024		Financial Year ended March 31, 2023	
	Book Value	Fair Value <sup>#</sup>	Book Value	Fair Value <sup>#</sup>
A. Assets*	6,239.35	6,694.04	6,097.56	6,870.72
B. Liabilities at Book value**	120.66	120.66	85.02	85.02
C. Net Assets (A-B)	6,118.69	6,573.38	6,012.54	6,785.70
D. Number of Units (No. in Crore)	66.40	66.40	66.40	66.40
E. NAV per Unit (C/D)	92.15	99.00	90.55	102.19

\*Assets includes the Fair Value of the Enterprise Value attributable to the InvIT as at March 31, 2024 including book value of InvIT assets. Assets are valued as per valuation reports issued by independent valuers appointed under the InvIT Regulations and as per IND AS.

\*\* Liabilities include book value of InvIT liabilities.

#### # Breakup of Fair value of assets

(Amount in Rs. Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Fair Value of Investment in Equity shares and NCDs of SPV	6,555.85	6,823.49
Add: Other Assets	138.19	47.23
<b>Fair value of InvIT assets</b>	<b>6,694.04</b>	<b>6,870.72</b>

#### INVESTMENT MANAGER OF THE TRUST

Pursuant to the applicable provisions of SEBI InvIT Regulations and the Investment Management Agreement dated April 1, 2020, executed between Brookfield India Infrastructure Manager Private Limited ("Company" or "BIIMPL" or "IM") and Axis Trustee Services Limited, acting in its capacity as the Trustee to the Trust ("Trustee"), the Company has been appointed as the Investment Manager of the Trust with effect from April 1, 2020.

The Company was a subsidiary of Brookfield Manager Holdings Limited ("BMHL") - an affiliate of Brookfield Corporation ("BN"). During the year, pursuant to an internal re-structuring, the existing shareholders transferred their holdings w.e.f. February 7, 2024, as under:

- BMHL transferred 83,39,557 equity shares of the Company to BIF III Rapid IM HoldCo Pte. Ltd. ("BIF III Rapid"), an entity incorporated in Singapore; and
- Brookfield India GP ULC transferred 1 equity share of the Company to BIF IV Jarvis IM HoldCo Pte Ltd (as a nominee of BIF III Rapid), an entity incorporated in Singapore.

Consequent to the abovementioned transfer of shares, the Company became a step-down subsidiary of BMHL (now held through BIF III Rapid) w.e.f. February 7, 2024 and continues to be such as on the date of this Report.

Pursuant to the informal guidance issued by SEBI on March 12, 2020, the Company may act as an investment manager to all the existing and proposed infrastructure investment trusts set up by the Brookfield Group from time to time, in terms of the SEBI InvIT Regulations. Accordingly, the Company was acting as a Common IM to the Trust and Data Infrastructure Trust ("Data InvIT"), another InvIT set up by Brookfield under the SEBI InvIT Regulations.

However, in light of the regulatory changes surrounding the governance of InvITs, particularly the SEBI circular bearing number SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 and dated September 11, 2023, read with Regulation 4(2)(h) of SEBI InvIT Regulations, it was decided to have separate investment managers for each of Data InvIT and the Trust. Accordingly, the Company ceased to act as IM of Data InvIT w.e.f. close of business hours on December 11, 2023, and is now acting as IM of the Trust, solely.

SEBI vide its notification bearing reference no. LAD-NRO/GN/2014-15/10/1577 dated February 14, 2023, had made various amendments in the SEBI InvIT Regulations thereby requiring significant changes in the governance structure of the investment manager to discharge its obligations under the SEBI InvIT Regulations, effective from April 1, 2023. Further, on the Company's request, SEBI had allowed additional time of 2 months to comply with the corporate governance norms. Accordingly, the governance norms were applicable from June 1, 2023.

### Board Composition and Meetings

In compliance with the applicable laws and regulations, the Company has the necessary combination of Executive, Non-executive Directors and Independent Directors, including a woman independent director.

As on March 31, 2024, the Board of Brookfield India Infrastructure Manager Private Limited comprises of 6 (six) Directors, of whom 1 (one) is Executive Director (Managing Director), 3 (three) Non-executive Independent Directors (including 1 (one) Woman Independent Director) and 2 (two) Non-executive Directors.

The details of Board of Directors of the Company as on March 31, 2024 are as under:

Sr. No.	Name of Director	Designation	DIN
1.	Mr. Prateek Shroff	Non-executive Director ("NED") & Chairperson	09338823
2.	Mr. Akhil Mehrotra	Managing Director ("MD")	07197901
3.	Mr. Arun Balakrishnan	Independent Director ("ID")	00130241
4.	Mr. Chaitanya Pande	ID	06934810
5.	Ms. Kavita Venugopal	ID	07551521
6.	Mr. Varun Saxena	NED	09797032

Further, change in the composition of the Board of the Company during the financial year ended March 31, 2024 and till the date of the report are as under:

Sr. No.	Name of Director	Details of changes
1.	Ms. Swati Mandava	Ceased to be NED w.e.f. May 25, 2023
2.	Mr. Prateek Shroff	Appointed as a NED w.e.f. May 26, 2023
3.	Mr. Narendra Aneja	Ceased to be ID w.e.f. May 31, 2023
4.	Mr. Chetan Desai	Ceased to be ID w.e.f. May 31, 2023
5.	Mr. Arun Balakrishnan	Appointed as an ID w.e.f. June 1, 2023
6.	Mr. Jagdish Ganapathi Kini	- Appointed as an ID w.e.f. June 1, 2023 - Ceased to be ID w.e.f. close of Board Meeting held on December 12, 2023
7.	Ms. Radhika Vijay Haribhakti	- Appointed as an ID w.e.f. June 1, 2023 - Ceased to be ID w.e.f. close of Board Meeting held on December 12, 2023
8.	Ms. Rinki Ganguli	- Appointed as a NED w.e.f. June 1, 2023 - Ceased to be NED w.e.f. close of Board Meeting held on December 12, 2023
9.	Mr. Sridhar Rengan	Ceased to be NED w.e.f. close of Board Meeting held on December 12, 2023
10.	Mr. Akhil Mehrotra	Appointed as a MD w.e.f. December 12, 2023
11.	Mr. Varun Saxena	Appointed as a NED w.e.f. December 12, 2023
12.	Mr. Chaitanya Pande	Appointed as an ID w.e.f. December 12, 2023
13.	Ms. Kavita Venugopal	Appointed as an ID w.e.f. December 12, 2023

The Board believes that the Directors of the Company possess necessary skills/ expertise/ competencies, which help the Company and the Trust to function effectively.

The Board meets at regular intervals to discuss and decide on strategies, policies and reviews the financial performance of the Trust and the Company.

During financial year ended March 31, 2024, the Board met 9 (nine) times and the meetings were conducted either physically or through Video Conferencing ("VC") in compliance with the SEBI InvIT Regulations and relevant circulars issued thereunder.

The requisite quorum was present in all the meetings. The intervening gap between two consecutive meetings was less than one hundred and twenty days i.e. in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2014 ("SEBI Listing Regulations").

The Board of Directors of the investment manager reviews compliance reports every quarter pertaining to all laws applicable to the InvIT as well as steps taken to rectify instances of non-compliances, wherever required. Further, the minimum information in accordance with Schedule VII of the SEBI InvIT Regulations was placed before the Board of Directors.

Notice and agenda, including the detailed notes on the matters to be considered at the meeting, in terms of the SEBI InvIT Regulations read with the SEBI Listing Regulations, are circulated to all the Directors within the prescribed timelines.

Further, Fifth Annual General Meeting ("AGM") of the Unitholders was held on July 21, 2023, through VC, in line with the applicable provisions of the SEBI InvIT and relevant circulars issued thereunder.

#### **Pipeline InvIT Committee of the Company**

Considering that the Company was acting as a common IM to the Trust and Data InvIT till December 11, 2023, in order to ensure good governance and clear segregation of the management and operations of both the InvITs being managed by the Company, the Board had constituted two InvIT Committees, namely 'Pipeline InvIT Committee' and 'Data InvIT Committee', for managing and administering respective InvITs and its assets, and had delegated the authority and responsibility of overseeing all the activities of the investment manager that pertain to the management and operation of the respective InvITs in accordance with the SEBI InvIT Regulations, respective Trust Documents, BIIMPL IMA and other applicable laws, to the respective InvIT Committees. The operation and functioning of both the Committees were under the strict supervision of the Board of Directors of the Company.

As per the terms of reference of the aforesaid committees, a periodic report was submitted by the respective committees to the Board to ensure oversight and guidance on the activities of the two InvITs.

Further, the Board had approved and adopted the Administration Policy to provide for a framework in relation to the internal compliance, governance and segregation of activities of various InvIT Committees that are/will be set up from time to time.

Since the Company ceased to be IM of Data InvIT, the management and administration of the Trust is now overseen directly by the Board. Accordingly, the two separate InvIT committees were no longer required and dissolved by the Board on December 12, 2023. The Board also revoked the Administration Policy with effect from December 12, 2023.

During the financial year 2023-24, Pipeline InvIT Committee met 5 (five) times.

#### **Details of the holding by the Company and its Directors or Members of the Pipeline InvIT Committee (until December 12, 2023) in the Trust**

During the year under review and as on the date of this Report, neither the Company nor any of its Directors or Members of the Pipeline InvIT Committee (until December 12, 2023) held any units of the Trust.

#### **Board Committees**

In accordance with Regulation 26G of the SEBI InvIT Regulations read with the SEBI Listing Regulations, the Board of



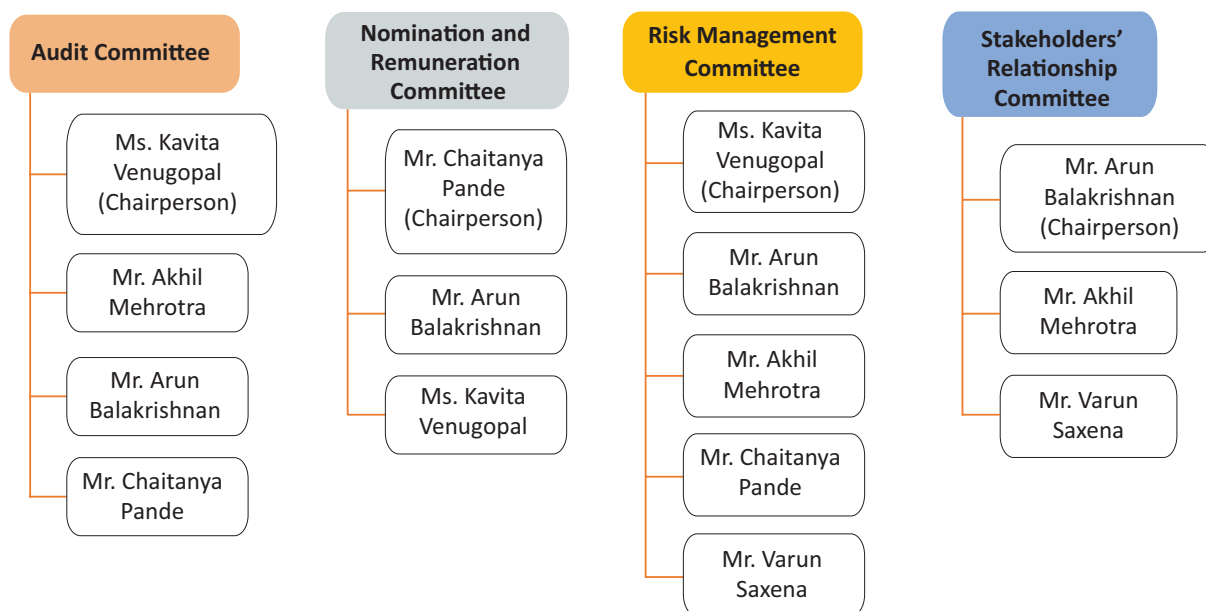
Directors of the Company had constituted various committees of the Board such as the Audit Committee, Nomination and Remuneration Committee (“NRC”), Risk Management Committee (“RMC”), Stakeholders’ Relationship Committee (“SRC”) w.e.f. June 1, 2023.

Board Committees play a crucial role in the governance structure of the Company. These have been constituted to deal with specific areas and activities which concern the Company/Trust and requires a closer review. The Committees are constituted by the Board and functions under their respective Charters framed in accordance with the Act and SEBI InvIT Regulations read with SEBI Listing Regulations.

The Committees meet at regular intervals and take necessary steps to perform their duties entrusted by the Board. There is seamless flow of information between the Board and its Committees, as the Committees report their recommendations and opinions to the Board, which in turn supervises the execution of respective responsibilities by the Committees. The minutes of the meetings of all the Committees are placed before the Board for its review. The Board reviews the functioning and charters of these Committees from time to time.

### Committee Composition

Details of Committee composition as on March 31, 2024:



Mr. Vikas Prakash, Company Secretary of the Company, acts as the secretary to all the Committees.

Details of changes in Committee composition during the year under review and as on the date of this Report are given as under:

Sr. No.	Name of Committee Member	Details of changes
<b>Audit Committee</b>		
1.	Ms. Radhika Vijay Haribhakti	Appointed as Chairperson w.e.f. June 1, 2023
2.	Mr. Sridhar Rengan	Appointed as a member w.e.f. June 1, 2023
3.	Mr. Jagdish Ganapathi Kini	Appointed as a member w.e.f. June 1, 2023
4.	Mr. Arun Balakrishnan	Appointed as a member w.e.f. June 1, 2023
5.	Ms. Radhika Vijay Haribhakti	Ceased to be Chairperson and member w.e.f. December 12, 2023
6.	Mr. Sridhar Rengan	Ceased to be member w.e.f. December 12, 2023
7.	Mr. Jagdish Ganapathi Kini	Ceased to be member w.e.f. December 12, 2023
8.	Ms. Kavita Venugopal	Appointed as Chairperson w.e.f. December 12, 2023

Sr. No.	Name of Committee Member	Details of changes
9.	Mr. Akhil Mehrotra	Appointed as a member w.e.f. December 12, 2023
10.	Mr. Chaitanya Pande	Appointed as a member w.e.f. December 12, 2023
<b>Nomination and Remuneration Committee</b>		
1.	Mr. Arun Balakrishnan	Appointed as Chairperson w.e.f. June 1, 2023
2.	Mr. Jagdish Ganapathi Kini	Appointed as a member w.e.f. June 1, 2023
3.	Ms. Radhika Vijay Haribhakti	Appointed as a member w.e.f. June 1, 2023
4.	Mr. Arun Balakrishnan	Re-designated as a member w.e.f. December 12, 2023
5.	Mr. Jagdish Ganapathi Kini	Ceased to be member w.e.f. December 12, 2023
6.	Ms. Radhika Vijay Haribhakti	Ceased to be member w.e.f. December 12, 2023
7.	Mr. Chaitanya Pande	Appointed as Chairperson w.e.f. December 12, 2023
8.	Ms. Kavita Venugopal	Appointed as a member w.e.f. December 12, 2023
<b>Risk Management Committee</b>		
1.	Mr. Jagdish Ganapathi Kini	Appointed as Chairperson w.e.f. June 1, 2023
2.	Mr. Arun Balakrishnan	Appointed as a member w.e.f. June 1, 2023
3.	Ms. Radhika Vijay Haribhakti	Appointed as a member w.e.f. June 1, 2023
4.	Mr. Sridhar Rengan	Appointed as a member w.e.f. June 1, 2023
5.	Mr. Jagdish Ganapathi Kini	Ceased to be Chairperson and member w.e.f. December 12, 2023
6.	Ms. Radhika Vijay Haribhakti	Ceased to be member w.e.f. December 12, 2023
7.	Mr. Sridhar Rengan	Ceased to be member w.e.f. December 12, 2023
8.	Ms. Kavita Venugopal	Appointed as Chairperson w.e.f. December 12, 2023
9.	Mr. Akhil Mehrotra	Appointed as a member w.e.f. December 12, 2023
10.	Mr. Chaitanya Pande	Appointed as a member w.e.f. December 12, 2023
11.	Mr. Varun Saxena	Appointed as a member w.e.f. December 12, 2023
<b>Stakeholders' Relationship Committee</b>		
1.	Mr. Jagdish Ganapathi Kini	Appointed as Chairperson w.e.f. June 1, 2023
2.	Mr. Arun Balakrishnan	Appointed as a member w.e.f. June 1, 2023
3.	Ms. Radhika Vijay Haribhakti	Appointed as a member w.e.f. June 1, 2023
4.	Mr. Prateek Shroff	Appointed as a member w.e.f. June 1, 2023
5.	Mr. Arun Balakrishnan	Re-designated as Chairperson w.e.f. December 12, 2023
6.	Ms. Radhika Vijay Haribhakti	Ceased to be member w.e.f. December 12, 2023
7.	Mr. Prateek Shroff	Ceased to be member w.e.f. December 12, 2023
8.	Mr. Akhil Mehrotra	Appointed as a member w.e.f. December 12, 2023
9.	Mr. Varun Saxena	Appointed as a member w.e.f. December 12, 2023

**Details of Committees****A. Audit Committee:**

Pursuant to the SEBI InvIT Regulations read with the SEBI Listing Regulations, Company has during the year under review, constituted the Audit Committee, meeting the composition prescribed thereunder with a minimum of two-third of its members (including Chairman) being Independent Directors. All members are financially literate and have accounting or related financial management expertise. The Chairperson of the Committee possesses professional qualifications in the field of Finance and Accounting.

The Committee is, *inter-alia*, entrusted with the responsibility to supervise the Company's and the Trust's internal controls and financial reporting process.

The composition, quorum, powers, role and scope of the Committee are in accordance with the provisions of the SEBI Listing Regulations.

The Committee is governed by a Charter, which is in line with Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations.

During the year under review, Audit Committee met 5 (five) times.

**B. Nomination and Remuneration Committee ("NRC")**

Pursuant to the SEBI Listing Regulations, the Company has during the year under review, constituted the NRC. The composition, quorum, powers, role and scope of the Committee are in accordance with the provisions of the SEBI Listing Regulations.

The terms of reference of the Committee, *inter-alia*, includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and Senior Management and specifying the manner for effective evaluation of performance of Board, Chairperson and individual directors, recommendation of remuneration policy for directors and Senior Management, formulation of criteria for evaluation of performance of independent directors and the Board, devising a policy on Board diversity and such other matters as may be prescribed by the SEBI Listing Regulations. The Committee is governed by a Charter, which is in line with Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

During the year under review, NRC met 2 (two) times.

**C. Risk Management Committee ("RMC")**

Pursuant to the SEBI Listing Regulations, the Company has during the year under review, constituted the RMC. The composition, quorum, powers, role and scope of the Committee are in accordance with the provisions of the SEBI Listing Regulations.

RMC, *inter-alia*, is entrusted with the responsibility of formulating a Risk Management Policy, monitoring and overseeing its implementation, including evaluating the adequacy of risk management systems, ensuring that the Company and the Trust conducts its activities in a responsible manner and implement and monitor the Environmental, Social and Governance framework and fulfill its oversight responsibilities in relation to health, safety, security and environmental function.

RMC is governed by a Charter, which is in line with the applicable provisions of the Regulation 21 read Part D of Schedule II of the SEBI Listing Regulations.

During the year under review, RMC met 4 (four) times.

**D. Stakeholders' Relationship Committee ("SRC")**

Pursuant to the SEBI Listing Regulations, the Company has during the period under review, constituted the SRC. The composition, quorum, powers, role and scope of the Committee are in accordance with the provisions of the Act and the SEBI Listing Regulations.

SRC, *inter alia*, is entrusted with the overall responsibility to oversee various aspects of the interests of stakeholders of the Company and the Trust.

SRC is governed by a Charter, which is in line with Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

During the year under review, SRC met 1 (one) time.

**Managing Director/ Chief Executive Officer, Chief Financial Officer and Company Secretary**

The details of Managing Director ("MD")/ Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Company Secretary of the Company, as on March 31, 2024 are as under:

Sr. No.	Name	Designation
1.	Mr. Akhil Mehrotra	MD
2.	Mr. Suchibrata Banerjee	CFO
3.	Mr. Vikas Prakash	Company Secretary & Compliance Officer*

\* also acts as Compliance Officer of the Trust.

Further, changes in the MD/ CEO, CFO and Company Secretary and Compliance Officer of the Company/ Trust during the financial year ended March 31, 2024 and till the date of the report are as under:

Sr. No.	Name of Director	Details of changes
1.	Mr. Pratik Desai	Ceased to be Compliance Officer of the Trust w.e.f. May 22, 2023
2.	Ms. Puja Tandon	- Designated as Compliance Officer of the Trust w.e.f. May 23, 2023 - Ceased to be Company Secretary and Compliance Officer w.e.f. December 12, 2023
3.	Ms. Pooja Aggarwal	- Appointed as CEO of the Company w.e.f. June 1, 2023 - Ceased to be CEO w.e.f. December 12, 2023
4.	Mr. Darshan Vora	- Appointed as CFO of the Company w.e.f. June 1, 2023 - Ceased to be CFO w.e.f. December 12, 2023
5.	Mr. Akhil Mehrotra	Appointed as a MD w.e.f. December 12, 2023
6.	Mr. Suchibrata Banerjee	Appointed as CFO of the Company w.e.f. December 12, 2023
7.	Mr. Vikas Prakash	Appointed as Company Secretary and Compliance Officer w.e.f. December 12, 2023

**Net Worth of Investment Manager**

Net Worth of the Company as per its latest Annual Audited Standalone Financial Statements for the financial year ended March 31, 2024 is in line with the requirement specified under regulation 4(2)(e) of the SEBI InvIT Regulations. There is no erosion in the net worth of the Company as compared to the net worth as per its last financial statements.

**Functions, Duties and Responsibilities of the Investment Manager**

During the year under review, the functions, duties and responsibilities of Company in the capacity of IM of the Trust, were in accordance with the BIIMPL IMA and the SEBI InvIT Regulations.

**Secretarial Compliance Report**

The Secretarial Compliance Report for the financial year 2023-24 issued by M/s. MMJB & Associates LLP, Practicing Company Secretaries pursuant to regulation 26J of SEBI InvIT Regulations is annexed as **Annexure B**. The same has also been submitted to the Stock Exchange within the stipulated timeline.

**Compliance Report on Governance**

In compliance with regulation 26K of SEBI InvIT Regulations read with master circular for InvITs, the Company, in its capacity of IM of the Trust, submits quarterly and annual compliance reports on governance to the stock exchange within the stipulated timelines. The said compliance reports on governance are available on the Trust's website i.e. [www.pipelineinvit.com](http://www.pipelineinvit.com) and on the stock exchange's website i.e. [www.bseindia.com](http://www.bseindia.com). The compliance reports on governance for the financial year 2023-24 submitted upto the date of this report are annexed herewith as **Annexure C**.

**Compliance Certificate**

In terms of Regulation 26H(5) of SEBI InvIT Regulations, a Compliance Certificate from the Managing Director, Chief

Financial Officer and Company Secretary & Compliance Officer of Investment Manager on the Financial Statements for the financial year ended on March 31, 2024 of the Trust, was circulated to the Board of Investment Manager.

### Performance Evaluation

Pursuant to the provisions of the SEBI InvIT Regulations read with SEBI Listing Regulations, the Board of Directors of the Company, on the recommendation of NRC, has adopted the Annual Performance Evaluation Policy for evaluation of performance of the Board, Chairperson and individual directors, which can contribute significantly to performance improvements at three levels: the organizational, board and individual director, as recommended by NRC.

NRC has also adopted a detailed framework for carrying out the formal annual evaluation, which includes criteria of carrying out evaluation of the Board, Independent Directors/Non-Executive Directors/Executive Directors and the Chairperson. The criteria have been framed in accordance with the provisions of SEBI InvIT Regulations read with SEBI Listing Regulations, which, *inter alia*, covers various aspects such as attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc.

Performance evaluation of Board, Chairperson and Individual Directors for FY 2023-24 was done by the Independent Directors, Members of NRC and the Board.

### Codes/Policies

In line with the requirements of SEBI InvIT Regulations and in order to adhere to the good governance practices for the Trust, the IM had adopted various policies and codes in relation to the Trust.

During the year under review, *inter-alia*, as a result of change in the governance structure, IM re-structuring and in line with the regulatory amendments, the Company had reviewed and re-adopted/revised the aforesaid codes and policies, details of the said codes and policies are as under:

#### (i) Distributions Policy

The Distributions Policy provides a structure for distribution of the net distributable cash flows of the Project SPV to the Trust and the Trust to the Unitholders. During the year under review, the Distributions Policy was amended to adopt the revised framework for computation of Net Distributable Cash Flow ("NDCF"), as prescribed by SEBI vide its circular dated December 06, 2023. The amended Distributions Policy is effective from April 1, 2024.

#### (ii) Code of Conduct for Prohibition of Insider Trading:

The Code of Conduct for Prohibition of Insider Trading is adopted in order to ensure fair disclosure of unpublished price sensitive information and to regulate, monitor and report trading by the Designated Persons towards achieving compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and aims to outline process and procedures for dissemination of information and disclosures in relation to the Trust on its website, to the Stock Exchanges and to all stakeholders at large. The purpose of the Code is also to ensure that the Trust complies with applicable laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

#### (iii) Code of Conduct for InvIT and Parties to InvIT

The said Code has been adopted in relation to the Trust; and conduct of the Trust and the Parties to the Trust. The Code provides for principles and procedures for the Sponsor, the Investment Manager, the Project Manager, the Trustee and their respective employees, as may be applicable, for ensuring interest of the unitholders and proper conduct and carrying out of the business and affairs of the Trust in accordance with applicable law.

#### (iv) Code of Conduct for Board Members and Senior Management

The said Code outlines the standard of conduct and the values and principles of the Company. This Code sets out the Company's approach and guidelines on preventing, identifying, and disclosing any actual, potential, or perceived conflict of interest that may arise during the regular course of business.

#### (v) Borrowing Policy

The Borrowing Policy has been adopted to ensure that all funds borrowed in relation to the Trust are in compliance with the SEBI InvIT Regulations.



**(vi) Nomination and Remuneration Policy**

The Policy, *inter alia*, outlines the process and procedures for selection and appointment of the Board of Directors and reflects the philosophy and principles relating to the remuneration of the Board, Senior Management Personnel and other employees of the Investment Manager and the Trust.

**(vii) Annual Performance Evaluation Policy**

The Policy has been adopted to outline the process for formal evaluation made by the Board of its own performance (self-appraisals) and that of its chairman and each of the directors of Investment Manager.

**(viii) Whistle-Blower Policy**

The Policy has been established to report genuine concerns, unethical behaviour, actual or suspected fraud and provide adequate safeguards against the victimisation of Directors and/or employees of Investment Manager.

**(ix) Risk Management Policy**

This Policy establishes procedures for framing, implementing and monitoring the risk management plan pertaining to activities of the InvIT and the business of its assets.

**(x) Policy on Related Party Transactions for InvIT**

This Policy has been voluntarily adopted by the Board to regulate the transactions of the InvIT with its Related Parties, based on the laws and regulations applicable to the InvIT and good governance practices.

**(xi) Policy on appointment of Auditor and Valuer of InvIT**

This Policy provides a framework for ensuring compliance with applicable laws with respect to appointment of auditor and valuer to be followed by the Trust.

**(xii) Policy on Nomination of Unitholder Nominee Directors**

This Policy has been adopted to, *inter alia*, outline the qualifications and criteria for appointment and evaluation parameters of individuals nominated for appointment as Unitholder Nominee Director, process of removal or resignation of the Unitholder Nominee Director(s), and the role of NRC and/or the Board in such matters and to ensure that the interests of InvIT and its stakeholders are promoted, protected and aligned.

**(xiii) Policy for processing and claiming of unclaimed amounts**

This Policy, *inter alia*, outlines the procedure and framework for dealing with unclaimed amounts lying with the Trust, transfer thereof to the Unpaid Distribution Account and Investor Protection and Education Fund, and claims thereof by the unitholders.

**Representatives on the Board of Directors of PIL, Special Purpose Vehicle (“SPV”) of the Trust**

The IM, in consultation with the Trustee, had appointed the majority of the Board of Directors of PIL i.e. SPV of the Trust.

During the year under review, the following changes took place in the Board Composition of PIL:

Name of the Director & DIN	Nature of change	Effective date of change
Ms. Radhika Vijay Haribhakti DIN: 02409519	Ceased to be Independent Director (“ID”)	June 7, 2023
Mr. Prateek Shroff DIN: 09338823	Ceased to be Non-Executive Director (“NED”)	June 7, 2023
Ms. Kavita Venugopal DIN: 07551521	Appointed as an ID	August 9, 2023
Ms. Archa Jain DIN: 10256248	Appointed as a NED	August 9, 2023
Mr. Akhil Mehrotra DIN: 07197901	Re-designated as Managing Director and ceased to be Chief Executive Officer	November 7, 2023

During the year under review and as on the date of this Report, the Company had ensured that voting of the Trust was exercised at the general meetings of PIL held during the financial year.

### SPONSOR OF THE TRUST

During the year under review and as on the date of this Report, Rapid Holdings 2 Pte Ltd. is the Sponsor of the Trust. The Sponsor was incorporated on December 19, 2016 in Singapore with registration number 201634453Z. The Sponsor is a Private Company limited by shares. The Sponsor's Registered Office is situated at 16 Collyer Quay, # 19-00 Collyer Quay Centre, Singapore 049318.

The Sponsor is an entity forming part of the Brookfield Group. Brookfield is a global alternative asset manager currently listed on the New York Stock Exchange and the Toronto Stock Exchange. All infrastructure related investments by Brookfield are made through Brookfield Infrastructure Partners L.P. ("BIP"). The units of BIP are listed on the New York Stock Exchange and the Toronto Stock Exchange.

The Sponsor is held 96.40% by Rapid Holdings 1 Pte. Ltd. ("Rapid 1"), a Company incorporated in Singapore and 3.60% by CIBC Mellon Trust Company (ATF Ontario Power Generation Inc. Pension Fund), a pension fund established in Canada. Rapid 1 is held 71.43% by BIF III India Holdings (Bermuda) L.P., a Limited Partnership incorporated in Bermuda and 28.57% by BIP BIF III AIV (Bermuda) L.P., a Limited Partnership incorporated in Bermuda.

There has been no change in the Sponsor during the financial year ended March 31, 2024 and as on the date of this Report.

### Directors of the Sponsor

The details of Board of Directors of Sponsor as on March 31, 2024 are mentioned below:

Sr. No.	Name of Director	Identification No.
1.	Mr. Liew Yee Foong	S8779790B
2.	Ms. Ho Yeh Hwa	S7838513H
3.	Mr. Tan Aik Thye Derek	S9339299Z
4.	Ms. Tay Zhi Yun	S8945483B
5.	Ms. Talisa Poh Pei Lynn	S9086937Z

Further, there has been no changes in the composition of the Board of the Sponsor during the financial year ended March 31, 2024 and till the date of the report.

### TRUSTEE OF THE TRUST

Axis Trustee Services Limited is the Trustee of the Trust ("Trustee"). 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 IND000000494 and is valid until suspended or cancelled. The Trustee's registered office is situated at Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 and corporate office is situated at The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg, Dadar West, Mumbai - 400 028.

The Trustee is a wholly owned subsidiary of Axis Bank Limited. As Trustee, it ensures compliance with all statutory requirements and believes in the highest ethical standards and best practices in corporate governance. It aims to provide the best services in the industry with its well trained and professionally qualified staff with a sound legal acumen. The Trustee is involved in varied facets of debenture and bond trusteeships, including, advisory functions and management functions. The Trustee also acts as a security trustee and is involved in providing services in relation to security creation, compliance and holding security on behalf of lenders.

The Trustee has confirmed that it has and undertakes to ensure that it will at all times, maintain adequate infrastructure personnel and resources to perform its functions, duties and responsibilities with respect to the Trust, in accordance with the INVIT Regulations, the Indenture of Trust and other applicable law.

There has been no change in the Trustee during the financial year ended March 31, 2024 and as on the date of this Report.

#### Board of Directors of the Trustee

The details of the Board of Directors of the Trustee as on March 31, 2024 are as under:

Sr. No.	Name of Director	DIN	Date of appointment
1.	Ms. Deepa Rath	09163254	May 1, 2021
2.	Mr. Sumit Bali	02896088	January 16, 2024
3.	Mr. Prashant Joshi	08503064	January 16, 2024

Further, there has been following change in the Board of Directors of the Trustee during the financial year ended March 31, 2024, and till the date of this Report.

- Mr. Rajesh Dahiya and Mr. Ganesh Sankaran have ceased to be Directors of ATSL w.e.f. January 15, 2024.
- Mr. Sumit Bali and Mr. Prashant Joshi have been appointed as Directors of ATSL w.e.f. January 16, 2024.
- Mr. Arun Mehta and Mr. Parmod Kumar Nagpal have been appointed as Directors of ATSL w.e.f. May 3, 2024.

#### VALUER OF THE TRUST

During the period under review, the unitholders of the Trust, at the 5<sup>th</sup> AGM of the Trust held on July 21, 2023, approved the appointment of Mr. S. Sundararaman, Registered Valuer holding IBBI Registration Number IBBI/RV/06/2018/10238, as the Valuer of the Trust for FY 2023-24.

#### INFORMATION OR REPORT PERTAINING TO SPECIFIC SECTOR OR SUB-SECTOR THAT MAY BE RELEVANT FOR AN INVESTOR TO INVEST IN UNITS OF THE INVIT

- During the year, gas supplies from newly developed domestic fields on the east coast ramped up and customers from sectors such as City Gas Distribution ("CGD"), Fertilizer, Power, and other industrial sectors are consuming the gas from these fields. Production of gas from new fields and further ramp-up in supplies from gas fields on the east coast Blocks of ONGCL and other operators is expected.
- During the financial year ended March 31, 2024, newly authorised CGD entities commenced commercial activities of gas supplies and additional gas volumes started to flow through the cross country and regional pipeline networks to meet the demand of CGD sector. Gas supplies to CGD as well as other industrial sectors is expected to further increase with the development of network infrastructure in the near future. The incremental gas volume will augment capacity utilization and revenue for pipeline operators in the country.
- The Gas price ceiling continues to be notified by PPAC on Half yearly basis. For the half year period April-September, 2024, the gas price ceiling notified by PPAC is 9.87\$/MMBtu<sup>1</sup>, which is significantly lower than previous ceiling. The lower gas price is expected to further boost the gas consumption in the country.

<sup>1</sup> <https://ppac.gov.in/natural-gas/gas-price>

**DETAILS OF CHANGES DURING THE YEAR****A. Change in clauses in the trust deed, investment management agreement or any other agreement entered into pertaining to the activities of the Trust**

During the period under review, the Investment Management Agreement (IMA) and Trust Deed were amended and executed on December 14, 2023 and January 8, 2024, respectively. Further, no other amendments were made to any other agreement entered into pertaining to the activities of the Trust.

The Unitholders of the Trust at their Extra-ordinary General Meeting held on November 6, 2023 had approved following amendments in the Investment Management Agreement (IMA) and the Trust Deed to, *inter-alia*, comply with the amendments in the SEBI InvIT Regulations and SEBI Circular dated September 11, 2023 with respect to the appointment of Unitholders Nominee Director:

The gist of the said amendments in IMA and Trust Deed are given as under:

**Amendment to IMA:**

- (i) to permit eligible unitholders to nominate such number of directors on the board of directors of the investment manager in the manner and to the extent specified under the SEBI InvIT Regulations; and
- (ii) to enable the Investment Manager to seek reimbursement of costs (in relation to its activities pertaining to the Trust) from the Trust or the Holdcos / SPVs, on whose behalf such costs have been incurred (which modification is being made only to cure ambiguities, and which would not in any manner prejudice the interests of the Unitholders).

**Amendment to Trust Deed:**

- (i) to permit eligible unitholders to nominate such number of directors on the board of directors of the investment manager, in the manner and to the extent specified under the InvIT Regulations; and
- (ii) to update the principal place of business of the Trust pursuant to the Unitholders' approval received on May 6, 2022 in this regard.

The aforesaid amendments to IMA and Trust Deed are effective from the date on which the Company ceased to be the investment manager of Data InvIT i.e. close of business hours on December 11, 2023.

**Amendment to Transaction Document:**

In connection with the acquisition of PIL, various Transaction Documents were executed which have been summarized in the Placement Memorandum dated March 19, 2019. During the year under review, in relation to PIL's proposal for raising funds through issuance of new listed non-convertible debentures to redeem in full the existing listed NCDs issued by PIL in 2019, certain identified terms of the shareholder's and option agreement executed on February 11, 2019 as amended on March 9, 2019 and April 14, 2019 executed between PIL, Reliance Strategic Business Ventures Limited, the Trust, its Investment Manager and Reliance Industries Limited ("PIL SHOA"), were required to be amended to ensure that they are aligned to the terms of the funding which was proposed by PIL. Accordingly, the third amendment agreement to the PIL SHOA was executed on February 27, 2024 by the parties.

**B. Any regulatory change that has impacted or may impact cash flows of the underlying project**

- (1) PNGRB had earlier notified amendments in tariff & related regulations of Capacity determination and Authorization in November, 2022. Some of the major amendments in the Tariff Regulations included consideration of authorized capacity, SUG on normative basis, allowance of transmission loss, prospective applicability of revised corporate tax rate etc. PIL had submitted tariff review application to PNGRB in March, 2023, which is under process at PNGRB.

- (2) In the capacity appeal in APTEL matter regarding PIL Pipeline capacity assessment for FY 2011 till FY 2019, APTEL had pronounced order on July 16, 2021, directing PNGRB to consider operating parameters for all the years for capacity declaration and provide opportunity to PIL to submit views, before declaring pipeline capacity. However, PNGRB has filed a civil appeal in Supreme Court challenging the APTEL order. The matter is currently sub judice.
- (3) PNGRB had earlier notified amendments in the Regulations for Determination of Natural Gas Pipeline Tariff relating to unified tariff including settlement mechanism in November 2022 and March, 2023 mandating implementation of pan India unified tariff with effect from April 01, 2023. Under Unified tariff regime, multiple pipelines belonging to different entities, including PIL Pipeline, will constitute national gas grid system (NGGS) and charge customers the applicable unified zonal tariff as determined by PNGRB in place of individual zonal tariff approved by PNGRB. For each of transportation entity, the difference between revenue collected through invoicing based on applicable and revenue entitlement based on respective pipeline tariff approved by PNGRB will be settled as per settlement mechanism stipulated under the tariff regulations. In the Unified Tariff regime, each transporter shall remain revenue neutral. Pursuant to above amendments, PNGRB also issued tariff order for unified tariff, it's zonal apportionment and ratios for invoicing to shippers vide order dated March 29, 2023 wherein PNGRB approved levelized Unified Tariff of Rs. 73.93/MMBtu, apportioned into 3 zones ranging from Rs. 39.45/MMBtu to Rs. 99.90/MMBtu.
- (4) The unified tariff regime was rolled out on pan India basis with effect from April 1, 2023 by all the transportation entities including PIL. A Settlement Committee has been constituted by PNGRB in line with the regulations, comprising of transportation entities to facilitate the operationalization of settlement mechanism wherein PIL was the lead member for 1<sup>st</sup> year. It has been proposed for PIL to continue as the lead member for FY 2024-25. The Unified Tariff is expected to aid in the gas market expansion and improve the penetration of natural gas in the overall basket of primary energy going forward.
- (5) The unified tariff rate was revised by PNGRB w.e.f. July 1, 2023 based on representation from all the transporters and recommendations from Settlement Committee to address the issue of overall Deficit Amount. PNGRB has revised the levelized Unified tariff to Rs. 81.13/MMBTU apportioned into 3 zones ranging Rs. 40/MMBtu to Rs. 114.52/MMBtu.

Further, since PNGRB is in the process of determination of tariff for various pipelines which are part of the National Gas Grid System including pipelines which are also expected to be added to the National Gas Grid System during FY2024-25, PNGRB decided to continue the prevailing unified tariff issued vide tariff order no. TO/NGPL/24-25/03 dated 29<sup>th</sup> May 2024 till June 30, 2024.

**C. Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions**

Not Applicable for the year under review.

**D. Changes in material contracts or any new risk in performance of any contract pertaining to the Trust**

There are no changes in material contracts or any new risk in the performance of any contract pertaining to the Trust.

**E. Any legal proceedings which may have significant bearing on the activities or revenues or cash flows of the Trust**

There are no legal proceedings against the Trust which may have significant bearing on the activities or revenues or cash flows of the Trust. Details of material litigations and regulatory actions which are pending against the Trust, Sponsor(s) and sponsor group, Investment Manager, Project Manager(s) or any of their associates and the Trustee, if any, at the end of the year is disclosed later in this Report.

**F. Credit Rating**

The Trust had obtained a Corporate Credit Rating (“CCR”) from CRISIL Ratings Limited (“CRISIL”), which had assigned “CCR AAA/Stable” (pronounced as CCR Triple A rating with Stable outlook) to the Trust. Subsequently, CCR was revised for standardising rating scales used by Credit Rating Agencies, due to which, CRISIL Ratings has migrated the CCR of India Infrastructure Trust to “CRISIL AAA/Stable” (pronounced as CRISIL Triple A rating with Stable outlook) from “CCR AAA/Stable”, on December 13, 2022. The aforesaid rating has been re-affirmed by CRISIL on March 18, 2024 which was reviewed by CRISIL on April 24, 2024.

**G. Other material changes during the year**

The material changes that have occurred during the year under review and as on the date of this Report are mentioned below:

- (i) During the year under review, the details of change of key employees of the Company in terms of regulation 4(2)(e)(iii) and 4(2)(e)(iv) of the SEBI InvIT Regulations, in relation to the Trust, are as under. These changes were largely due to amendment in SEBI InvIT Regulations prescribing the corporate governance norms which are applicable to the Trust and the Company w.e.f. June 1, 2023, and pursuant to separation of investment manager of the Trust and Data InvIT w.e.f. close of business hours on December 11, 2023.

Employee Name	Date of appointment	Date of cessation
Mr. Amiya Puskar	April 01, 2020	May 31, 2023
Mr. Pratik Desai	December 01, 2020	May 22, 2023
Mr. Manoj Saxena	April 01, 2021	May 31, 2023
Ms. Pooja Aggarwal	June 01, 2023	December 12, 2023
Mr. Darshan Vora	June 01, 2023	December 12, 2023
Mr. Ankur Mullick	June 01, 2023	December 12, 2023
Mr. Akhil Mehrotra	December 12, 2023	-
Mr. Suchibrata Banerjee	December 12, 2023	-
Mr. Sourav Gupta	December 12, 2023	-

- (ii) The registered office of the Company was shifted from ‘Unit 1, 4<sup>th</sup> Floor, Godrej BKC Bandra Kurla Complex, Mumbai City, Mumbai, Maharashtra, India, 400051’ to ‘Seawoods Grand Central, Tower-1, 3<sup>rd</sup> Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Thane, Navi Mumbai, Maharashtra, India – 400 706’, with effect from April 29, 2024.

There have been no material changes during the year under review and as on the date of this Report, except as disclosed herein above or elsewhere in the Report.

**PROJECT-WISE REVENUE OF THE TRUST FOR THE LAST 5 YEARS**

The Trust was formed on November 22, 2018 and was registered as an infrastructure investment trust under SEBI InvIT Regulations on January 23, 2019. It completed its first investment on March 22, 2019.

Since the year of formation and upto the date of this Report, the Trust has only one asset i.e. the PIL Pipeline.

Accordingly, the details of revenue of the Trust for the previous years and the year under review are as under:

(Amount in Rs. Crore)

Particulars	FY 2018-19 (for the period March 22, 2019 to March 31, 2019)	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Interest revenue w.r.t. the PIL NCDs	31.09	664.73	715.97	635.92	608.61	571.53
Interest revenue on fixed deposits	-	3.09	3.64	3.14	2.59	2.95
Gain (net) on Mutual funds	-	0.94	0.05	0.09	0.15	1.79
Gain/ (Loss) on NCDs	1,817.74	-	76.30	(37.48)	(517.25)	533.82
<b>Total</b>	<b>1848.83</b>	<b>668.76</b>	<b>795.96</b>	<b>601.67</b>	<b>94.10</b>	<b>1,110.10</b>

#### UPDATE ON THE DEVELOPMENT OF UNDER-CONSTRUCTION PROJECTS

PIL Pipeline achieved the project completion of 2 (two) new connectivities namely M/s. AGP at M&R63 and M/s. Bhilosa Industries at M&R65 and declared ready for commissioning on readiness of the customer. These connectivities will facilitate flow of additional gas volumes through PIL Pipeline. PIL is pursuing completion of 1 new CGD connectivity project at M&R 66 namely M/s Haryana City Gas (HCG).

#### DETAILS OF OUTSTANDING BORROWINGS, REPAYMENT AND DEFERRED PAYMENTS OF THE TRUST, DEBT MATURITY PROFILE, GEARING RATIOS OF THE TRUST AS AT THE END OF THE YEAR

There are no borrowings outstanding at standalone level as on March 31, 2024 and as on the date of this Report, hence the key gearing ratios are not applicable for the Trust at standalone level.

Further, the details for Trust on a consolidated basis for the year ended March 31, 2024 are as under:

- Corporate Credit Rating ("CCR") for Trust: "CRISIL AAA/Stable" by CRISIL Ratings Limited ("CRISIL")
- Credit Rating for PIL external NCDs: AAA/Stable by CRISIL and Care Ratings Limited
- Debt Maturity Profile for external debt availed by PIL:
  - Series 1- Listed Debentures- March 11, 2027,
  - Series 2- Listed Debentures- March 11, 2028,
  - Series 3- Listed Debentures- March 11, 2029
- Covenants of PIL:
  - Debt Service Coverage Ratio: 1.57 times

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

(Amount in Rs. Crore)

Transaction	PIL Standalone		Trust Standalone	Consolidated
	Trust	Lender Consortium	Lender Consortium	Lender Consortium
<b>Opening borrowings (Carrying Value)</b>	<b>(5,399.18)*</b>	<b>(6,452.00)</b>	-	<b>(6,452.00)</b>
NCD Repayment	341.75	6,452.00	-	6,452.00
NCD Issuance	-	(6,452.00)	-	(6,452.00)
<b>Closing borrowings (Carrying Value)</b>	<b>(5,057.43)#</b>	<b>(6,452.00)</b>	-	<b>(6,452.00)</b>

\* Fair Value through Profit and Loss of the said NCDs as at March 31, 2023 - Rs. 5,997.19 Crore.

# Fair Value through Profit and Loss of the said NCDs as at March 31, 2024 - Rs. 6,051.16 Crore.



## PAST PERFORMANCE OF THE TRUST WITH RESPECT TO UNIT PRICE, DISTRIBUTIONS MADE AND YIELD FOR THE LAST 5 YEARS, AS APPLICABLE

Unit price (As per the data available on BSE Limited)

(Amount in Rs.)

Financial Year	Highest	Lowest	Closing Price as on March 31
FY 2018-19*	100	100	100
FY 2019-20*	100	100	100
FY 2020-21	100	94	94
FY 2021-22	101	98	98
FY 2022-23	100	83.5	92
FY 2023-24	103	85	92

\*No trade during FY 2018-19 and FY 2019-20

The Trust had issued 66,40,00,000 units of Rs. 100 each aggregating to Rs. 6,640 Crores on March 18-19, 2019, which are listed on BSE Limited w.e.f. March 20, 2019. However, pursuant to payment of the Return of Capital as a part of distributions made by the Trust from time to time, the issued unit capital of the Trust as on March 31, 2024 is 66,40,00,000 units of Rs. 63.6792 each aggregating to Rs. 4,228.30 Crore and as on the date of this Report is 66,40,00,000 units of Rs. 61.7494 each aggregating to Rs. 4,100.16 Crore.

During the year under review, the Trust had neither issued nor bought back any Units.

### Distributions made by the Trust

Pursuant to the provisions of SEBI InvIT Regulations and in line with the Distribution Policy, the Transaction Documents and the Trust Documents, Brookfield India Infrastructure Manager Private Limited i.e. the IM of the Trust, has made timely distributions to the unitholders.

The details of distributions declared and made by the Trust since formation and as on March 31, 2024 are as under:

Date of declaration	Return of Capital (Rs. per unit)	Return on Capital (Rs. per unit)	Miscellaneous Income (Rs. per unit)	Total (Rs. per unit)	Date of payment
April 6, 2019	0.9738	-	-	0.9738	April 16, 2019
July 9, 2019	1.1128	2.6896	0.0108	3.8132	July 18, 2019
October 7, 2019	4.5266	2.1806	0.0083	6.7155	October 17, 2019
January 7, 2020	2.3547	2.0413	0.0091	4.4051	January 16, 2020
April 8, 2020	2.2237	2.2044	0.0076	4.4357	April 20, 2020
July 7, 2020	1.3337	3.1080	0.0080	4.4497	July 16, 2020
October 7, 2020	1.7599	2.6473	-	4.4072	October 16, 2020
January 8, 2021	1.6687	2.6518	-	4.3205	January 19, 2021
April 7, 2021	2.0016	2.3475	-	4.3491	April 19, 2021
July 7, 2021	1.4877	2.3987	-	3.8864	July 19, 2021
October 7, 2021	1.4070	2.3778	0.0995	3.8843	October 18, 2021
January 7, 2022	1.4698	2.3366	-	3.8064	January 18, 2022
April 7, 2022	1.5759	2.2172	-	3.7931	April 20, 2022
July 7, 2022	1.7327	2.2849	-	4.0176	July 19, 2022
October 7, 2022	1.7463	2.2772	-	4.0235	October 18, 2022
January 6, 2023	1.7193	2.2108	-	3.9301	January 18, 2023

Date of declaration	Return of Capital (Rs. per unit)	Return on Capital (Rs. per unit)	Miscellaneous Income (Rs. per unit)	Total (Rs. per unit)	Date of payment
April 6, 2023	1.8335	2.0805	-	3.9140	April 18, 2023
July 7, 2023	1.7948	2.1699	-	3.9647	July 19, 2023
October 6, 2023	1.7803	2.1654	-	3.9457	October 18, 2023
January 5, 2024	1.8181	0.9417	0.0705	2.8303	January 17, 2024

After the closure of the financial year 2023-24 and as on the date of this Report, following distributions were declared and made by the IM of the Trust, pursuant to the provisions of SEBI InvIT Regulations and in line with the Distributions Policy, the Transaction Documents and the Trust Documents:

Date of declaration	Return of Capital (Rs. Per unit)	Return on Capital (Rs. Per unit)	Miscellaneous Income (Rs. Per unit)	Total (Rs. Per unit)	Date of payment
April 8, 2024	1.9298	3.7357	0.0214	5.6869	April 18, 2024

#### Yield for last 5 years

Year	Return of capital (INR in Rs.)	Return on capital + Other Income (INR in Rs.)	Total Distribution (per unit) (INR in Rs.)	Volume Weighted Average Price (VWAP) (INR in Rs.)	Yield (%)
(A)	(B)	(C)	(D)	(E=C+D)	(F)*
FY 18-19	-	-	-	100.00	-
FY 19-20	8.97	6.94	15.91	100.00	15.91%
FY 20-21	6.99	10.63	17.61	94.00	18.74%
FY 21-22	6.37	9.56	15.93	98.75	16.13%
FY 22-23	6.77	8.99	15.76	96.05	16.41%
FY 23-24	7.23	7.43	14.65	95.07	15.41%

\*Yield = Total Distribution/ Volume weighted average Price

Total Distribution = Return On Capital+ Return Of Capital + Other Income

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

Summary of Unit Price and Volume for the financial year ended March 31, 2024 is as under:

Particulars	BSE Limited
Unit Price at the beginning of the period (Open Price of April 6, 2023, since price for April 1, 2023 is not available on BSE website)	Rs. 94
Unit Price at the close of the period (Close price of March 18, 2024 since price for March 31, 2024 is not available on BSE website)	Rs. 92
Highest Unit Price (July 4, 2023)	Rs. 103
Lowest Unit Price (February 21, 2024)	Rs. 90
Average daily volume traded (No. of units)	5,18,519

(As per the data available on BSE Limited)

## **DETAILS OF ALL RELATED PARTY TRANSACTIONS DURING THE YEAR, THE VALUE OF WHICH EXCEEDS FIVE PERCENT OF VALUE OF THE TRUST**

For details of related party transactions entered into by the Trust during the year under review, please refer to note no. 25 of the standalone financial statements and note no. 28 of the consolidated financial statements of the Trust for the financial year ended March 31, 2024, which form part of this Annual Report.

Further, during the year under review, none of the related party transaction exceeded five percent of the value of the Trust assets, as determined basis the fair enterprise valuation report as on March 31, 2024.

## **DETAILS REGARDING THE MONIES LENT BY THE TRUST TO THE HOLDING COMPANY OR THE SPECIAL PURPOSE VEHICLE IN WHICH IT HAS INVESTMENT**

As on March 31, 2024 and as on the date of this Report, the Trust has only one SPV i.e. PIL.

On March 22, 2019, the Trust had subscribed to 12,95,00,000 NCDs of face value of Rs. 1,000 each, aggregating to Rs. 12,950 Crore, issued by PIL on private placement basis. On April 23, 2019, PIL had redeemed 6,45,20,000 NCDs of Rs. 1000 each aggregating to Rs. 6,452 Crore.

Further, during the year under review, PIL had made payment of an aggregate amount of Rs. 341.75 Crore as Principal, towards partial re-payments of the remaining 6,49,80,000 NCDs of Rs. 1,000 each, thereby reducing the face value of NCDs to Rs. 778.31 as on March 31, 2024.

Accordingly, as on March 31, 2024, the Trust had an outstanding investment of Rs. 6,051.16 Crore (previous year Rs. 5,997.19 crore) in PIL NCDs which includes fair valuation gain of Rs. 1,873.13 Crore (previous year Rs. 1,339.29 Crore).

## **BRIEF DETAILS OF MATERIAL AND PRICE SENSITIVE INFORMATION**

During the period under review, the intimations with respect to all material and price sensitive information in relation to the Trust was made to BSE Limited, by the Company, in accordance with the provisions of SEBI InvIT Regulations and other applicable laws, if any, from time to time.

Except as reported to the Stock Exchange from time to time and as disclosed elsewhere in this Report, there were no material and price sensitive information in relation to the Trust for the period under review.

## **BRIEF DETAILS OF MATERIAL LITIGATIONS AND REGULATORY ACTIONS WHICH ARE PENDING AGAINST THE INVIT, SPONSOR(S) ALONG WITH SPONSOR GROUP, INVESTMENT MANAGER, PROJECT MANAGER(S) OR ANY OF THEIR ASSOCIATES AND THE TRUSTEE, IF ANY, AT THE END OF THE YEAR**

*Except as stated in this section, there are no material litigation or actions by regulatory authorities, in each case against the Trust, the Sponsor along with Sponsor Group, the Investment Manager, the Project Manager, or any of their respective Associates and, the Trustee that are currently pending. Further, except as stated below, there are no material litigation or actions by regulatory authorities, in each case, involving the SPV or the Pipeline business, that are currently pending.*

*For the purpose of this section, details of all regulatory actions and criminal matters that are currently pending against the Trust, the Sponsor along with Sponsor Group, the Investment Manager, the Project Manager and their respective Associates, and the Trustee have been disclosed. Further, details of all regulatory actions and criminal matters that are currently involving the Project SPV and the Pipeline Business have also been disclosed. Further, any litigation that is currently pending involving an amount equivalent to, or more than, the amount as disclosed below, in respect of the Trust, the Sponsor, the Investment Manager, the Project Manager, each of their respective Associates, the Trustee, the Project SPV and the Pipeline Business has been disclosed.*

## **SPECIAL PURPOSE VEHICLE ("SPV") AND PIPELINE BUSINESS**

### **Pipeline Infrastructure Limited**

The Pipeline was previously owned and operated by East West Pipeline Limited ("EWPL"). Pursuant to the Scheme of Arrangement, the Pipeline business of EWPL has demerged into PIL with effect from the Appointed Date, i.e. July 1, 2018.

The total income of PIL based on the audited Financial Statements as of March 31, 2024 was Rs. 3,305.50 Crore (including NCD fair valuation loss of Rs. 533.82 Crore). Accordingly, all outstanding civil litigation (i) involving an amount equivalent to or exceeding Rs. 16.53 Crore (being 0.50% of the total income of PIL provided as per audited Financial Statements as of March 31, 2024), and (ii) wherein the amount involved is not ascertainable but otherwise considered material, have been disclosed.

Materiality threshold applicable to PIL (as provided above) has also been applied to the Pipeline business.

## **SPONSOR AND THE PROJECT MANAGER**

### **Sponsor**

The total income of the Sponsor based on the unaudited consolidated financial statements of the Sponsor for the period commencing from April 1, 2023 and ended March 31, 2024 was US\$ 45.0 million. Accordingly, all outstanding civil litigation against the Sponsor and the Project Manager which (i) involve an amount equivalent to or exceeding US\$ 2.3 million (being 5.00% of the total income of the Sponsor for the period ended March 31, 2024), and (ii) wherein the amount is not ascertainable but are otherwise considered material, have been disclosed.

### **Project Manager**

The total income of the Project Manager i.e. ECI India Managers Private Limited as per the unaudited financial statements for the financial year ended March 31, 2024 was Rs. 1.80 Crore. Accordingly, all outstanding civil litigation against the Project Manager which (i) involve an amount equivalent to or exceeding Rs. 0.09 Crore (being 5.00 % of the total income as per the unaudited financial statements for the financial year ended March 31, 2024), and (ii) wherein the amount is not ascertainable but are considered material, have been disclosed.

### **Sponsor Group, Associates of the Sponsor and the Project Manager**

The disclosures with respect to material litigations relating to the Sponsor Group (excluding Sponsor), Associates of the Sponsor and Associates of the Project Manager have been made on the basis of the public disclosures made by Brookfield Corporation ('BN') and Brookfield Infrastructure Partners, L.P ('BIP') under which all entities, which control, directly or indirectly, the Sponsor and the Project Manager get consolidated for financial and regulatory reporting purposes. BN and BIP are currently listed on the New York Stock Exchange ("NYSE") and the Toronto Stock Exchange ("TSE"). In accordance with applicable securities law and stock exchange rules, BN and BIP are required to disclose material litigations through applicable securities filings. The threshold for identifying material litigations in such disclosures is based on periodically reviewed thresholds applied by the independent auditors of BN and BIP in expressing their opinion on the financial statements and is generally linked to various financial metrics of BN and BIP, including total equity. Further, all pending regulatory proceedings where all entities, which control, directly or indirectly, the Sponsor and the Project Manager, are named defendants have been considered for disclosures. Further, there is no outstanding litigation and regulatory action against any of the entities controlled, directly or indirectly by the Project Manager or the Sponsor, as on March 31, 2024.

## **INVESTMENT MANAGER**

The total income of the Investment Manager i.e. Brookfield India Infrastructure Private Limited as per the Audited Financial Statements for the financial year ended March 31, 2024 was Rs. 5.16 Crore. Accordingly, all outstanding civil litigation against the Investment Manager which (i) involve an amount equivalent to or exceeding Rs. 0.26 Crore (being 5.00 % of the total income as per the audited consolidated financial statements for the financial year ended March 31, 2024), and (ii) wherein the amount is not ascertainable but are considered material, have been disclosed.

### **Associates of the Investment Manager**

Disclosures with respect to material litigations relating to Associates of the Investment Manager which form part of the Brookfield Group, have been made on the basis of public disclosures made by BN, under which all entities, (i) which control,

directly or indirectly, shareholders of the Investment Manager, and (ii) the shareholders of the Investment Manager (who form part of the Brookfield Group), get consolidated for financial and regulatory reporting purposes. BN is currently listed on the NYSE and the TSE. All pending regulatory proceedings where all entities who are the shareholders of the Investment Manager, or which control, directly or indirectly, the shareholders of the Investment Manager, in case forming part of the Brookfield Group, are named defendants have been considered for disclosures. The threshold for identifying material litigations in such disclosures is based on periodically reviewed thresholds applied by the independent auditors of BN and BIP in expressing their opinion on the financial statements and is generally linked to various financial metrics of BN and BIP, including total equity. Further, all pending regulatory proceedings where all entities, which control, directly or indirectly, the Investment Manager, are named defendants have been considered for disclosures. Further, there is no outstanding litigation and regulatory action against any of the entities controlled directly or indirectly by the Investment Manager, as on March 31, 2024.

## **TRUSTEE**

All outstanding civil litigation against the Trustee which involve an amount equivalent to or exceeding Rs. 24.66 crore (being 5.00% of the profit after tax as on March 31, 2024 based on the audited standalone financial statements of the Trustee for the financial year ended March 31, 2024), have been considered material and have been disclosed in this section.

### **I. Litigation against the Trust**

There are no litigations or actions by regulatory authorities or criminal matters pending against the Trust as on March 31, 2024 and the date of this Report.

### **II. Litigation against Associates of the Trust**

The details of material litigation and regulatory action against the Sponsor, the Investment Manager, the Project Manager, and the Trustee, have been individually disclosed below, as applicable.

### **III. Litigation involving PIL**

Except as disclosed below, there are no pending material litigations or actions by regulatory authorities or criminal matters involving PIL as on March 31, 2024 and the date of this Report. Pursuant to the Scheme of Arrangement, all suits, actions and legal proceedings of whatsoever nature by or against East West Pipeline Limited ("EWPL") instituted or pending on and/or arising after the Appointed Date, and pertaining or relating to the Pipeline Business shall be continued, prosecuted and enforced by or against PIL, as effectually and in the same manner and to the same extent as would or might have been continued, prosecuted and enforced by or against EWPL. However, as of March 31, 2024, the process of including PIL as a party to litigation involving the Pipeline Business (as described below) has not been completed.

#### **i. Regulatory Matters**

##### **a) Capacity Matter:**

PNGRB by way of an order dated July 10, 2014 declared the capacity of the Pipeline at 85 MMSCMD for the Financial Year 2011 and 95 MMSCMD for the Financial Year 2012 ("Order I"). EWPL filed an appeal dated August 8, 2014 against Order I before the Appellate Tribunal for Electricity ("APTEL") under Section 33 of PNGRB Act assailing Order I. APTEL passed an order on July 8, 2016 setting aside Order I inter alia on the ground that there was a breach of principles of natural justice and remanded the matter back to PNGRB. Subsequently, PNGRB vide its order dated December 30, 2016 declared the capacity of the Pipeline for Financial Years 2011 and 2012 to be 85 MMSCMD and 95 MMSCMD, respectively ("Order II"). Subsequently, EWPL has filed an appeal before the APTEL (appeal no. 39 of 2017) (the "Appeal") for setting aside Order II, directing PNGRB to declare the capacity for Financial Years 2011 and 2012, and for the subsequent periods i.e. Financial Years 2013, 2014, 2015 and 2016, taking into

account the change in parameters, within a reasonable time. The matter is currently pending before APTEL. Meanwhile, EWPL filed an interim application for relief to APTEL (the "Application") seeking for appropriate directions to be issued to the PNGRB to consider the capacity of the Pipeline (by way of an interim measure) at the capacity approved by the PNGRB by its letter of acceptance dated March 19, 2013 for the purpose of tariff determination, pending adjudication and final disposal of the Appeal. On November 20, 2018, APTEL passed an interim order in the Application and directed the PNGRB to use 85 MMSCMD for tariff determination of the Pipeline from Financial Year 2010 to Financial Year 2018.

PNGRB fixed EWPL tariff on March 12, 2019 i.e. Rs. 71.66/MMBTU till the final determination of the capacity of the Pipeline.

APTEL vide its order dated November 15, 2019 upheld PIL's capacity submissions in its Appeal for FY11 and FY12 and directed PNGRB to declare capacity of PIL pipeline after considering changes in operating parameters within 3 months of the order, PNGRB is yet to declare the capacity of PIL pipeline. Meanwhile, PNGRB moved an Interim Application No.2254 of 2019 (in the said Appeal) seeking extension of time for determining the capacity of the pipeline. APTEL after hearing the arguments vide order dated 16.07.2021, disposed the interim application inter-alia with direction to PNGRB:

- a. to determine the tariff within 3 months of the requisite quorum being available,
- b. shall declare the capacity of PIL pipeline from FY 2010-11 years onwards till the year EIL has submitted report as per the directions contained in order dated November 15, 2019 considering all operational parameters.
- c. PNGRB while declaring the capacity shall take into account PIL's objections to the EIL report and due opportunity be given to PIL to submit their views on the report.

**Appeal before Supreme Court by PNGRB in Civil Appeal No. 377-378 of 2022:** PNGRB preferred an appeal before Supreme Court against APTEL's two orders dated November 15, 2019 and July 16, 2021. Supreme Court vide order dated January 12, 2022 granted interim stay only on the general directions passed by APTEL in its order dated July 16, 2021. PIL filed its responses and also an Interim Application for Directions. Matter was heard by the Registrar on March 31, 2022 and gave 3 weeks' time to PIL for filing its response to the Interim Application filed by PNGRB on question of law. PIL filed its response. PNGRB also filed an Interim Application before APTEL seeking extension of 4 months' time (from 1<sup>st</sup> March onwards) for determining capacity for years 2010-2011 to 2011-2012 and 2012-2013 to 2018-2019. PIL also moved an IA seeking directions from SC restraining PNGRB from initiating any action to review the Tariff of the pipeline which is due in April 2022 without determining the Capacity of the pipelines for the FYs 2010-19 as per the directions of the APTEL. Pleadings are completed. Next date of hearing will be notified in due course.

## ii. Civil matters

### (i) **Disputes in connection with the right of user granted to EWPL under the Petroleum and Minerals Pipelines (Acquisition of Right of User in Land) Act, 1962 ("PMP Act")**

The right of use in respect of the Pipeline was granted to RGTIL (former name of EWPL) under section 6 of the PMP Act through various notifications issued by the Government of India. The implementation of the right of user under the PMP Act was enforced through the competent authorities authorised by the central government to perform functions under the PMP Act. In certain instances landowners disputed the compensation amounts determined to be paid to them under section 10(2) of the PMP Act, some of which are outstanding as of the date of this Report and are considered material, as follows:

- (a) Kamuben filed an application before the Principal District Judge Court, Navsari against the competent authority under the PMP Act and RGTIL (former name of EWPL) demanding additional compensation amounting to Rs. 51 crores. The matter is currently pending.



- (b) Gamanlal Maganlal Patel filed a Civil Miscellaneous Application No. 241 of 2019 against CA of RGTIL, EWPL, R K Dhadda, Reliance Industries Ltd. and Mukesh D Ambani before the District Court Surat demanding additional compensation of Rs. 45 crores. The suit is pending.
- (c) Ishwarlal Thakorbbhai filed CMA 58 of 2018 before the Principal District Judge Court, Navsari against the Competent Authority and RGTIL (former name of EWPL) demanding additional compensation amounting to Rs. 91 crores, under the PMP Act. The matter was disposed, however the same was restored by the Court and the same is currently pending.
- (d) Ashok Desai & ors filed a Civil Miscellaneous Application (DC) No. 34 of 2021 against Union of India, CA of DNEPL & RGTILEWPL before the District Court Valsad demanding additional compensation of Rs. 21.42 crores. The suit is pending.

(ii) **Royalty Related Case**

PIL (formerly EWPL) has received demand notices from the revenue authorities (under the provisions of the Maharashtra Land Revenue Code, 1966 and the rules framed thereunder) in Maharashtra levying royalty (together with penalty and other charges) of Rs. 41.56 crores on the grounds that PIL for the purpose of laying the Pipeline, had conducted an excavation of earth which is treated as mining of minor minerals under the Maharashtra Land Revenue Code, 1966. PIL has already paid a penalty of approximately Rs. 13.21 crores under duress. PIL filed a writ petition challenging the levy of royalty before the High Court of Bombay ("High Court") in 2009 on the grounds that the operation of laying the gas pipeline does not qualify as mining of minor minerals and that the levy is in contravention of Article 265 of the Constitution of India. The High Court by its order dated February 9, 2009 directed the revenue authorities to restrain from taking any coercive steps against EWPL. The matter is currently pending.

(iii) **Un-notified land parcel**

Gangadhar Karbari Jadhav is the owner of 5 land parcels in Village Vakas, in Karjat Taluka of State of Maharashtra. PIL pipeline is passing through all the 5 land parcels, however ROU in 2 land parcels was acquired and compensation paid to them accordingly. Now the said landowner has filed a Writ Petition against PIL for laying pipeline without acquiring ROU and prays for compulsory land acquisition for the 3 land parcels under the new Land Acquisition Act of 2013. PIL initiated acquisition of right of user (RoU) in the said 3 land parcels. MoPNG issued notification dated January 4, 2022 u/s 3(1) of the PMP Act. On March 2, 2022, Bombay High Court heard the WP and was pleased to allow the Petitioner to withdraw the said Petition with liberty to raise all contentions, including payment of compensation under RFCTLARR Act before the Competent Authority of PIL. Competent Authority of PIL is directed to decide the same as per law and the matter stands disposed vide order dated March 2, 2022. Notification for acquisition of RoU u/s 6 of PMP Act is yet to be issued by MoPNG. Competent Authority heard Petitioner's objection and dismissed objections raised by Petitioner and ordered that compensation will be paid as per the provisions of PMP Act as only right of user is being acquired in the land. Aggrieved with this order, the Petitioner filed another writ, WP No. 7115 of 2022 on June 2022 against the CA of PIL and UOI.

Meanwhile, MoPNG has notified acquisition of RoU by issuing a gazette notification dated September 19, 2022 u/s 6(1) & (4) of PMP Act.

High Court heard the WP on February 8, 2023 and vide order dated March 27, 2023 dismissed the WP stating that the Executive Order passed by the Central Govt. is in not enforceable under Art.73 of the Constitution of India and Central Govt. cannot amend the provisions of Sec.105(1) new LARR Act. 2013. A caveat application was moved by PIL before Supreme Court.

The Petitioner challenged the said order by filing SLP (Civil) No. 8363 of 2023 to stay the operation of the Judgement dated March 27, 2023 of the Bombay High Court. The pleadings in the said SLP before the Supreme Court are completed and the SLP is tentatively posted for final hearing on July 30, 2024.

**(iv) LAR 93 of 2014 filed by Landowners of Survey No. 395**

The land owners in Village Bhadbhut, Taluka Bharuch (Survey No: 395; Area: 3- 02-00 Hec-Are-Sq mts) whose land was acquired under Land Acquisition Act 1884, for setting up Compressor Station 10 filed a Land Acquisition Reference case No.93 of 2014 challenging award dated April 6, 2011 of the Land Acquisition Officer who determined the market value @ Rs. 69/- per sq.mtr. in the Award for the land acquired, later corrected, and passed modified award of Rs. 58/- per sq. mtr.

The said land owners prior to filing the said Reference challenged the acquisition of the land for a private company by filing a Special Civil Application no. 1428/2012 before the High Court of Ahmedabad for cancellation of acquisition, but the same was dismissed in August 2012 as this issue was never raised while hearing the objections, however the High Court permitted the landowner to file a reference for claiming compensation before the appropriate forum. The Applicants also filed Re- Petition No. 2399/12 before the High Court of Gujarat, the same was also rejected. Thereafter, SLP(Civil) No. 7382/2013 in Supreme Court filed by the said landowner was also dismissed in April 2013, for delay as well as on merits.

The landowners approached Dist. Court demanding the higher compensation @ Rs.3,652/- per Sq.mt, solatium 30%, 12% increment plus 9% interest for 1<sup>st</sup> year and 15% interest for following years by filing a Reference No.93 of 2014. The Dist. Court dismissed the Reference vide order dated October 20, 2021 on the grounds of limitation.

The said decision of the Dist. Court was challenged before the High Court of Gujarat by the landowners filing First Appeal No. 492 of 2022 which was also dismissed vide order dated March 10, 2022 on the same grounds of limitation.

The landowners challenged the said decision of the High Court dated March 10, 2022 before the Supreme Court by filing SLP No. 19053/2022. The Hon'ble Supreme Court vide order dated December 12, 2022 allowed the SLP with a direction to the Reference Court for disposal of the reference case on merits within a period of 9 months from date of the judgement. Pursuant to the direction of the Supreme Court, the proceeding under reference case bearing LAR 93 of 2014 commenced and were heard on weekly basis. Final arguments concluded in the matter and Order was passed by the District Court Bharuch on August 19, 2023 directing payment of compensation @ Rs. 855/sq. mtr. + increment @ 12% pa + 30% solatium + 9% interest p.a. for the first year and thereafter 15% p.a. interest. An appeal against the said Order dated August 19, 2023 was filed before the Gujarat High Court. The matter was finally heard on December 6, 2023 and the Hon'ble HC of Guj allowing the appeal filed by PIL, set aside the order/ award passed by the reference court. The lower court vide order dated March 18, 2024 directed compensation to the petitioner @ Rs. 54.89/sq.mtr. + increment @ 12% pa + 30% solatium + 9% interest p.a. for the first year and 15% p.a. interest thereafter, which computes to Rs. 77.71 lakhs with interest as on March 31, 2024. The same has been deposited with the Court.

**IV. Litigation against the Sponsor**

There are no material litigations and regulatory actions pending against the Sponsor as on March 31, 2024.

**V. Litigation against the Investment Manager**

There are no material litigations and regulatory actions pending against the Investment Manager as on March 31, 2024.

**VI. Litigation against the Associates of the Investment Manager**

There are no material litigations and regulatory actions pending against the Associates of the Investment Manager as on March 31, 2024.

**VII. Litigation against the Project Manager**

There are no material litigation and regulatory actions currently pending against the Project Manager as on March 31, 2024.

## VIII. Litigation against the Sponsor Group, Associates of the Sponsor and the Project Manager

There are no material litigations and no regulatory actions currently pending against any of the Sponsor Group entity (excluding Sponsor), Associates of the Sponsor and the Project Manager as on March 31, 2024.

## IX. Litigation against the Trustee

There are no material litigations and no regulatory actions currently pending against the Trustee as on March 31, 2024.

Further, details of past operational and disciplinary actions issued to the Trustee, are given as under:

### 1. Operational Actions\*

- a) Administrative warning issued by SEBI vide letter dated November 14, 2013 read with letter dated January 1, 2014 on inspection of books and records of debenture trustee business
- b) Administrative warning issued by SEBI vide letter dated August 14, 2017 on inspection of books and records of debenture trustee business.
- c) Administrative warning issued by SEBI vide letter dated May 31, 2019 on inspection of books and records of debenture trustee business.
- d) Administrative warning and deficiency letter issued by SEBI vide letter dated May 31, 2022 on books and records of debenture trustee business.
- e) Administrative warning issued by SEBI vide letter dated June 9, 2023 in relation to inspection conducted by SEBI for one of Trustee's InvIT client.
- f) Advisory issued by SEBI vide letter dated June 12, 2023 in relation to inspection conducted by SEBI for one of Trustee's REIT client.
- g) Administrative warning issued by SEBI vide letter dated August 8, 2023 in relation to thematic inspection on debenture trustees.
- h) Administrative warning issued by SEBI vide letter dated September 28, 2023 in relation to non-submission of information to SEBI as required under Regulation 10(18)(a) of REIT Regulations, 2014 by one of the Trustee's REIT client.
- i) Administrative warning issued by SEBI vide letter dated October 23, 2023 in relation to thematic inspection on debenture trustees with respect to creation of charge on the security for the listed debt securities as required under SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020.
- j) Deficiency letter issued by SEBI vide letter dated January 11, 2024 in relation to thematic inspection of Real Estate Investment Trusts (REITs) – Compliance with REIT Regulations w.r.t submission of quarterly reports by Manager of the REIT to the Trustee.

Administrative warnings mentioned above in (a) to (d), (g) and (i) are operational actions issued by SEBI as part of routine inspection of books and records of debenture trustee business. Administrative warnings and advisory letters mentioned above in (e) and (f) are operational actions issued by SEBI as part of routine inspection of Trustee's InvIT & REIT client respectively. Administrative warnings letter mentioned above in (h) and (i) is an operational action issued by SEBI as part of routine submission by Trustee to SEBI w.r.t compliance status of Trustee's REIT client.

### 2. Disciplinary Actions\*

- a) Adjudication Order No. EAD/PM-AA/AO/17/2018-19 dated July 11, 2018 issued by SEBI under Section 15-I of Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules, 1995.

- b) Settlement Order bearing No. EAD-3/JS/GSS/80/2018-19 dated April 2, 2019 issued by SEBI under SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 and SEBI (Settlement Proceedings) Regulations, 2018.

*\*Updated till March 31, 2024. None of these pertains to the Trust.*

## RISK FACTORS

### *Risks Related to the Organization and the Structure of the Trust*

- The regulatory framework governing infrastructure investment trusts in India is new and evolving. The interpretation and enforcement of the framework involves uncertainties. Certain interpretations or changes to the regulatory framework may have a material, adverse effect on the ability of certain categories of investors to invest in the Units, the Trust's business, financial conditions and results of operations, and our ability to make distributions to Unitholders.
- We must maintain certain investment ratios, which may present additional risks to us.
- Due to lack of asset diversification, negative developments such as any governmental action negatively affecting the Pipeline, any economic recession particularly affecting the areas concerned, any natural disaster or any natural event or inadequacy of the reserves supplying the Pipeline that may adversely affect the volume of gas transported would have a significant adverse effect on our business, financial condition and results of operations and our ability to make distributions to Unitholders.

### *Risks Related to Our Business and Industry*

- There are outstanding proceedings involving the Pipeline Business/PIL. Any adverse outcome in any of such proceedings may adversely affect our profitability and may have an adverse effect on our business and financial condition.
- Our business may be adversely affected by non-performance of obligations by RIL under the various operating agreements entered into by PIL and RIL (& its affiliates) that include the Pipeline Usage Agreement, Shareholders' and Options Agreement ("SH&OA"), Operations & Maintenance Agreement ("O&M Agreement"), Operations and Maintenance Sub-Contract Agreement. In particular, our business may be adversely affected by RIL's non-performance of its obligations under the Pipeline Usage Agreement. Any event or factor which adversely impacts RIL's business and its ability, or its unwillingness, to comply with its payment obligations under the Pipeline Usage Agreement (or other such agreements) would adversely affect our business and PIL's ability to pay interest and principal payments on its non-convertible debentures when due, as well as make distributions to our Unitholders.
- Separately to the Pipeline Usage Agreement, our gas transportation business derives a significant portion of its revenue from few key customers. The loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our services could adversely affect our business, results of operations, financial condition and cash flows.
- The Pipeline Business requires certain statutory approvals and registrations, including renewal of existing approvals and registrations. We may be required to incur substantial costs or may be unable to continue commercial operations if it cannot obtain or maintain necessary approvals and registrations.
- The Pipeline's business is exposed to a variety of gas market and gas production risks. The relative price and availability of gas and its competitive position with other energy sources (including electricity, coal, fuel oils, solar, wind and other alternative energy sources) may significantly change demand levels for the Pipeline capacity. If there is an unforeseen shortage in the availability of competitively priced gas, either as a result of gas reserve depletion or the unwillingness or inability of gas production companies to produce gas, the Pipeline's revenue may be adversely affected. While exploration of new gas resources from other wells is underway, we cannot provide absolute assurance that enough reserves will be identified, or that the supply from such alternative resources will be routed through the Pipeline. Continued development of new gas supply sources in the west or north of India could impact the Pipeline customers' demand for the Pipeline. There is risk that Government of India or PNGRB may stipulate or impose conditions which result in lower pipeline capacity utilization. All these factors may adversely impact our operations and revenues and our ability to make distributions to Unitholders.

- PIL has entered into agreements with third parties for receiving operation and management services and any failure on their part to perform their obligations could adversely affect our reputation, business, results of operations and cash flows.
- The O&M Agreement entered into by PIL includes budget plans for the cost of operating and maintaining the Pipeline facilities for a period of 20 years (from March 22, 2019). In the event the cost of operating and maintaining the Pipeline facilities exceeds such budgets or estimates, our results of operations and cash flows may be adversely affected. Further, in the event the actual budget and business plan prepared for any Financial Year exceeds the budget plan as included in the O&M Agreement, or the actual costs and expenses incurred exceed such budget and business plan, the Contractor as defined in the O&M Agreement may be obliged to subscribe to optionally fully convertible debentures, convertible into equity shares of PIL (at the option of PIL), in accordance with the O&M Agreement. While the optionally fully convertible debentures are convertible at the option of PIL, any such conversion if exercised would result in a dilution of the Trust's equity interest in PIL leading to potentially lower returns to the Trust.
- Land title in India can be uncertain and we may not be able to identify or correct defects or irregularities in title to the land which is owned, leased or intended to be acquired. Further, while the Ministry of Petroleum and Natural Gas, Government of India under the PMP Act declared that the right of use of the acquired land for the Pipeline vested with East West Pipeline Limited, the Pipeline Business is and may continue to be subject to civil proceedings by land owners claiming additional compensation or disputing compensation paid. In addition, the Pipeline Business entered into agreements to obtain crossing rights through highways, roads, railways, rivers and canals during the construction of the Pipeline. If the Pipeline Business fails to comply with the terms of such crossing agreements, the Pipeline Business could be subject to additional costs towards curing such breaches and resolving disputes. The Pipeline Business could also be negatively impacted if land access costs increase, including through rental increases, renewals of expiring agreements, prevention of easement encroachments or lack of enforcement of the Pipeline's current land access rights.
- The Pipeline is subject to many environmental and safety regulations. The Pipeline is subject to extensive central, state, and local regulations, rules and ordinances relating to pollution, the protection of the environment and the handling, transportation, treatment, disposal and remediation of hazardous substances. The Pipeline may incur substantial costs, including fines, damages and criminal or civil sanctions, and experience interruptions in the Pipeline's operations for actual or alleged violations arising under applicable environmental laws and/or implementing preventive measures. Violations of operating permit requirements or environmental laws can also result in restrictions to or prohibitions on Pipeline operations, substantial fines and civil or criminal sanctions.
- The Pipeline Business and our results of operations could be adversely affected by stringent labour laws, strikes or work stoppages by employees. India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution. This makes it difficult for us to maintain flexible human resource policies, discharge employees or downsize, which could adversely affect our business. Any delays, stoppages and interruptions, due to a strike or other work stoppage at any of our work sites could have an adverse effect on our ability to operate and meet our contractual obligations and on our financial performance and condition.
- Any disruption, failure or delay in the operation of the Pipeline information systems may disrupt Pipeline operations and cause an unanticipated increase in costs. These systems include SCADA system and other specialized planning, optimization and scheduling tools allow adjustments in the operation of the Pipeline.
- Government intervention in the pricing decisions of the Pipeline may adversely affect its business. The Government, through the PNGRB tariff regime, has the ultimate discretion to regulate the prices at which the Pipeline may offer its natural gas transportation services. PNGRB vide order dated March 12, 2019, declared the levelized tariff of Rs. 71.66/MMBTU to be applicable to the Pipeline effective from April 1, 2019. PIL submitted its Zonal apportionment

of tariff to PNGRB vide letter dated March 19, 2019 for approval. Subsequently PNGRB amended regulations on May 27, 2019, whereby the tariffs are made applicable on prospective basis after approval of zonal tariffs i.e. applicable from the first day of the month following the month in which the zonal tariff order is issued by the Board. PNGRB approved the Zonal apportionment of tariff vide order TO/2019 – 20/06 June 4, 2019, the zonal tariffs to be applicable from July 1, 2019.

Consequent to amendment in Income Tax Rates by GOI in FY 2019-20, for the corporate assesses, an option was provided to corporates for adopting reduced tax rate of 22% which after surcharges and education cess comes to effective tax rate of 25.17%, PNGRB amended the tariff regulations in the FY 20-21 to consider lowest nominal rate of income tax in tariff computation in case more than one nominal rates of income tax are available to the entity. There is a downward impact on tariff, however for PIL, the reduction in tax outflows in subsequent years offset such reduction substantially in view of PIL having opted for lower corporate tax rate.

In November 2020, PNGRB notified certain other amendments in the Tariff Regulations like longer Economic Life, lower no of Working days in a year etc. Implementation of these amended tariff parameters at the time of next tariff review is likely to have minor implication on the PIL pipeline tariff.

Further, in November, 2022, PNGRB notified Amendments in the Tariff Regulations & related regulations of Capacity determination and Authorization Regulations. The amendments in Tariff Regulations including consideration of authorized capacity, SUG on normative basis, allowance of transmission loss, prospective applicability of revised corporate tax rate etc. Implementation of these amended tariff parameters at the time of next tariff review is likely to have positive impact on the PIL pipeline tariff during next tariff review. PIL has submitted its tariff review application to PNGRB on 22<sup>nd</sup> March 2023 considering these amendments. Tariff application is under process and PNGRB is expected to come out with Public Consultation Document shortly.

One of the important parameters for tariff is volume denominator which is linked to the capacity of pipeline. PNGRB had earlier fixed the capacity of PIL Pipeline at higher value than the actual capacity for past years. Pursuant to PIL challenging the matter before APTEL, the order pronounced by APTEL in July 2021 in continuation to its earlier order in November 2019 was in favour of PIL. PNGRB has filed appeal in Supreme Court challenging these APTEL orders. Matter is under sub-judice and hearing in the matter is yet to be commenced. Favorable order in the matter will have positive impact on the tariff.

PNGRB has notified amendments in regulations for Determination of Natural Gas Pipeline Tariff, Second Amendment Regulations, 2020 relating to Unified Tariff. Under Unified tariff regime, multiple pipelines belonging to different entities, including PIL Pipeline, would be part of national gas grid system (NGGS) and transporting entities shall charge customers the applicable unified zonal tariff as determined by PNGRB from time to time in place of individual zonal tariff approved by PNGRB. The difference between unified tariff based revenue and revenue entitlement based on PNGRB approved tariff for each pipeline entity will be settled as per the settlement mechanism stipulated under the tariff regulations. In the Unified Tariff regime, each transporter shall remain revenue neutral. The pan India unified tariff has been implemented by PNGRB w.e.f. April 1, 2023.

The gas volumes expected from new domestic gas fields on east coast has been delayed due to reasons including crisis arising out of COVID-19.

Going forward, any reduction in gas supply volumes and adverse tariff ruling may result in Pipeline incurring adverse impacts on revenue from gas transportation services. No absolute assurance can be provided that there will not be a significant change in Government policy, which may adversely affect the Pipeline's financial condition and results of operations.

- Gas transmission and distribution networks have significant occupational health and safety risks that could expose the Pipeline to claims and increased regulatory and compliance costs. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities which could adversely affect our business, prospects, financial condition, results of operations and cash flows.



- The Pipeline requires the services of third parties, including suppliers and contractors of labour material and equipment, which entail certain risks. The Pipeline also requires registrations with the relevant state assistant labour commissioners under the Contract Labour Regulation Act, 1971 for engaging contract labour for its compressor stations. Non-availability of skill of such third parties and at reasonable rates, and any default by its contractors could have an adverse effect on our business, results of operations or financial condition. There is also a risk that we may have disputes with the Pipeline contractors arising from, among other things, the violation of the terms of their contracts. While we will attempt to monitor and manage this risk through performance guarantees, contractual indemnities, disclosure and confidentiality obligations and limitations of liability, it may not be possible for us to protect the Pipeline Business from all possible risks and as a result, our business, results of operations or financial condition could be adversely affected.
- Under the Infrastructure Agreement, Reliance Gas Pipelines Limited (“RGPL”) has non-exclusive access to certain of its facilities which are laid on the Pipeline’s right of usage area and are co-located with the Pipeline facilities. Any breach by RGPL of its obligations under the Infrastructure Sharing Agreement may have an adverse impact on our business, results of operations and financial condition.
- The Pipeline operations may be subject to losses arising from natural disasters, operational hazards and unforeseen interruptions, and the Pipeline’s insurance coverage may not adequately protect it against such losses, hazards and interruptions. The Pipeline carries all-risks mitigation policy covering property damage, machinery breakdown, business interruption, and third-party liability (which we are statutorily required to maintain) for the Pipeline Business. The losses the Pipeline may incur or payments the Pipeline may be required to make may exceed its insurance coverage, and the Pipeline’s results of operations may be adversely affected as a result. In addition, insurance may not be available for the Pipeline in the future at commercially reasonable terms and costs. An inability of PIL to maintain requisite insurance policies particularly under Public Liability Insurance Act, 1991 may expose the Pipeline to third party risks and impose obligations to compensate such third parties without the benefit of recouping such amounts under an insurance policy. Maintenance of such insurance policies may also require PIL to incur significant compliance costs, which if PIL is unable to maintain could expose the Project SPV to third party claims, to the extent it not covered by insurance.
- The Pipeline’s business will be subject to seasonal fluctuations that may affect its cash flows. Our cash flows may be affected by seasonal factors, which may adversely affect gas transmission volumes for example, on account of excessive rainfall during the monsoon season in India. While the Pipeline is designed to operate in all seasons and normal climatic variations as experienced, any abnormal or excessive rains and flooding may restrict our ability to carry on activities related to our operation and maintenance of the Pipeline. This may result in delays in periodic maintenance and reduce productivity, thereby adversely affecting our business, financial condition and results of operations.

#### *Risks Related to the Trust’s Relationships with the Sponsor and Investment Manager*

- The Sponsor, who may have different interests from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust.
- The Investment Manager may not be able to implement its investment or corporate strategies and the fees payable to the Investment Manager are dependent on various factors.
- Parties to the Trust are required to maintain the eligibility conditions specified under Regulation 4 of the SEBI InvIT Regulations on an ongoing basis. The Trust may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.
- The Investment Manager is required to comply with certain ongoing reporting and management obligations in relation to the Trust. There can be no assurance that the Investment Manager will be able to comply with such requirements. Further, the Investment Manager has limited experience as a manager of an InvIT and may not have adequate resources to fulfil its role and responsibilities.

*Risks Related to India*

- We are dependent on economic growth in India and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have an adverse effect on the Pipeline Business, financial condition and results of operations and the price of the Units.
- Our operations are located in India, and we are subject to regulatory, economic, social and political uncertainties in India. The Pipeline, PIL and its employees are located in India. Consequently, the Pipeline's financial performance will be affected by changes in regulations by PNGRB and other regulatory Bodies, exchange rates and controls, interest rates, commodity prices, subsidies and controls, changes in government policies, including taxation policies, social and civil unrest and other political, social and economic developments in or affecting India. The Government and State Governments have traditionally exercised, and continue to exercise, significant influence over many aspects of the economy. The Pipeline Business, and the market price and liquidity of the Units, may be affected by interest rates, changes in governmental policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.
- The operation of the Pipeline is subject to disruptions and other external factors that are beyond our control, which may have an adverse impact on our business, financial condition and results of operations if they materialize. These risks may include but not limited to, failure to renew and/or maintain necessary governmental, environmental and other approvals; any changes to the policies or legislation under which the Pipeline's rights over land have been granted; theft and pilferage and any related interruptions caused by such actions; leakages and any related interruptions necessary to remedy such leakages as well as other necessary repairs and maintenance; accidents, including fires, explosions, ruptures in, or spills from, crude and product carriers or storage tanks; natural disasters, including seismic or cyclonic activity, and weather-related delays, in particular because the Pipeline crosses different regions and terrain which include certain zones with higher seismic activity; breakdown, failure or substandard performance of equipment or other processes; mobilizing required resources, including recruiting, housing, training and retaining our workforce; labour unrest or disputes; and war, terrorism or civil unrest.

*Risks Related to Ownership of the Units*

The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders. Further, unitholders are unable to require the redemption of their units.

*Risks Related to Tax*

Changing tax laws and regulations may adversely affect our business, financial condition and results of operations. Further, Tax laws are subject to changes and differing interpretations, which may adversely affect our operations.

**INFORMATION OF THE CONTACT PERSON OF THE TRUST**

Mr. Vikas Prakash

Company Secretary & Compliance Officer of Investment Manager

Address: Seawoods Grand Central, Tower-1, 3<sup>rd</sup> Level,

C Wing - 301 to 304, Sector 40, Seawoods Railway Station,

Navi Mumbai, Thane, Maharashtra - 400706, India

Tel: +91 22 3501 8000

E-mail: [compliance@pipelineinvit.com](mailto:compliance@pipelineinvit.com)

Date: May 24, 2024

## **Annexure A**

**Prepared for:**

**India Infrastructure Trust (“the Trust”)**

**Brookfield India Infrastructure Manager Private Limited  
 (“the Investment Manager”)**

# **Valuation as per SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended**

**Fair Enterprise Valuation of the SPV:**

**Valuation Date: 31<sup>st</sup> March 2024**

**Report Date: 23<sup>rd</sup> May 2024**

**Mr. S Sundararaman,  
Registered Valuer,**

**IBBI Registration No - IBBI/RV/06/2018/10238**

RV/SSR/R/2025/08

Date: 23<sup>rd</sup> May 2024**The Board of Directors****Brookfield India Infrastructure Manager Private Limited***(In its capacity as the "Investment Manager" of the Trust)*

Seawoods Grand Central,  
 Tower-1, 3rd Level, C Wing – 301 to 304,  
 Sector 40, Seawoods Railway Station,  
 Navi Mumbai - 400 706,  
 Thane, Maharashtra, India.

**The Board of Directors****India Infrastructure Trust**

Acting through Axis Trustee Services Limited

*(In its capacity as the Trustee of the Trust)*

Seawoods Grand Central,  
 Tower-1, 3rd Level, C Wing – 301 to 304,  
 Sector 40, Seawoods Railway Station,  
 Navi Mumbai - 400 706,  
 Thane, Maharashtra, India.

**Sub: Valuation as per SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended ("the SEBI InvIT Regulations")**


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Dear Sirs/Madams,

I, Mr. S. Sundararaman ("**Registered Valuer**" or "**RV**" or "**I**" or "**My**" or "**Me**") bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 23rd April 2024 as an independent valuer, as defined under the SEBI InvIT Regulations, by **Brookfield India Infrastructure Manager Private Limited** ("**the Investment Manager**" or "**BIIMPL**"), acting as the Investment manager for **India Infrastructure Trust** ("**the Trust**" or "**InvIT**" or "**the client**") for the purpose of the financial valuation of Special Purpose Vehicle ("**the SPV**") of the Trust as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("**SEBI InvIT Regulations**").

The Trust operates & maintains the SPV named Pipeline Infrastructure Limited ("**PIL**") which owns & operates a 48-inch diameter, 1,480 km long from Kakinada to Bharuch, natural gas transmission pipeline.

The SPV was acquired by the Trust and is to be valued as per Regulation 21 (4) contained in the Chapter V of the SEBI InvIT Regulations.

As per Regulation 21 (4) of Chapter V of the SEBI InvIT Regulations,

*"A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year"*

In this regard, the Investment Manager and the Trustee intends to undertake the fair enterprise valuation of the SPV as on 31st March 2024. ("**Valuation Date**")

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, those are not independently investigated or otherwise verified. My team and I have no present or planned future interest in the Trust, the SPV or the Investment Manager except to the extent of this appointment as an independent valuer and the fee for this Valuation Report ("**Report**") which is not contingent upon the values reported

herein. The valuation analysis should not be construed as investment advice, specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust.

I am enclosing the Report providing opinion on the fair enterprise value of the SPV on a going concern basis as at the Valuation date.

**Enterprise Value ("EV")** is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities. The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

The analysis must be considered as a whole. Selecting portions of any analysis or the factors that are considered in this Report, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The information provided to me by the Investment Manager in relation to the SPV included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.

I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiry to satisfy myself that such information has been prepared on a reasonable basis.

Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow forecast period.

The valuation provided by RV and the valuation conclusion are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by the Securities and Exchange Board of India ("SEBI") thereunder.

Please note that all comments in the Report must be read in conjunction with the caveats to the Report, which are contained in Section 10 of this Report. This letter and the Report and the summary of valuation included herein can be provided to Trust's advisors and may be made available for the inspection to the public and with the SEBI, the stock exchanges and any other regulatory and supervisory authority, as may be required.

RV draws your attention to the limitation of liability clauses in Section 11. This letter should be read in conjunction with the attached Report.

**Yours faithfully,**

**S. Sundararaman**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/20918/10238

Place: Chennai

UDIN: 24028423BKGA AV1144

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## Definition, abbreviation & glossary of terms

Abbreviations	Meaning
BIIMPL	Brookfield India Infrastructure Manager Private Limited
Capex	Capital Expenditure
CCP	Contracted Capacity Payment
CCPS	0% Compulsory Convertible Preference Shares
Contractor	Pipeline Management Services Private Limited
DCF	Discounted Cash Flow
DTD Agreement	Debenture Trust Deed dated February 26, 2024 between PIL And IDBI Trusteeship Services Limited
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
EV	Enterprise Value
EWPPPL	East West Pipeline Private Limited
FCFE	Free Cash Flow to Equity
FCFF	Free Cash Flow to the Firm
FY / Financial Year	Financial Year Ended 31st March
Framework Agreement	The framework agreement dated August 28, 2018, entered amongst RIHPL, the Sponsor, the Investment Manager and PIL
GTA	Gas Transportation Agreement
Ind AS	Indian Accounting Standards
Infrastructure Sharing Agreement	Infrastructure Sharing Agreement dated February 11, 2019 between Contractor, Sub-Contractor and PIL
INR	Indian Rupee
Investment Manager or IM	Brookfield India Infrastructure Manager Private Limited
InvIT or Trust	India Infrastructure Trust
InvIT Asset or Pipeline or Initial Portfolio Asset	The cross-country pipeline (including spurs) between Kakinada in Andhra Pradesh and Bharuch in Gujarat, transferred to PIL with effect from the Appointed Date, pursuant to the Scheme of Arrangement, being the InvIT Asset for the purposes of the SEBI InvIT Regulations
IVS	ICAI Valuation Standards 2018
Joint Venture Agreement	The joint Venture Agreement dated February 11, 2019, entered into between the project manager, RIL and the contractor and amendments thereto
KG Basin	Krishna Godavari Basin
Kms	Kilometres
LNG	Liquefied Natural Gas
Management	Management of PIL and IM

Abbreviations	Meaning
Mn	Million
Mmbtu	One Million British Thermal Units
Mmscmd	Million Metric Standard Cubic Meter Per Day
NAV	Net Asset Value Method
NCA	Net Current Assets Excluding Cash and Bank Balances
O&M	Operation & Maintenance
O&M Agreement	Operations and Maintenance Agreement, dated February 11, 2019 amongst PIL, Contractor and Project Manager
O&M Sub-Contractor Agreement	Operations and Maintenance Sub-Contractor Agreement, dated February 11, 2019 amongst PIL, Contractor and Sub-Contractor
PIL	Pipeline Infrastructure Limited (Previously known as Pipeline Infrastructure Private Limited)
PIL SHA	Shareholders and Options Agreement dated February 11, 2019 amongst PIL, EWPPL, RIL, IM and the Trust and amendments thereto
Pipeline Business	The entire activities and operations historically carried out by EWPPL with respect to transportation of natural gas through the Pipeline and related activities, as a going concern, which was acquired by PIL with effect from the Appointed Date, as further defined in the Scheme
PNGRB	Petroleum and Natural Gas Regulatory Board
PNGRB Report	PNGRB Report by industry group titled “Vision 2030 – Natural Gas Infrastructure in India Report”, available at <a href="https://www.pngrb.gov.in/Hindi-Website/pdf/vision-NGPV-2030-06092013.pdf">https://www.pngrb.gov.in/Hindi-Website/pdf/vision-NGPV-2030-06092013.pdf</a>
PNGRB Technical Report	Report Issued On Technical Assesment of the Natural Gas Grid in India available at <a href="https://pngrb.gov.in/eng-web/reports.html">https://pngrb.gov.in/eng-web/reports.html</a>
Project Manager	ECI India Managers Private Limited
PUA	Pipeline Usage Agreement
PPP	Public Private Partnership
RGPL	Reliance Gas Pipelines Ltd
RIIHL	Reliance Industrial Investments and Holdings Limited
RIL	Reliance Industries Limited
RIL Upside Share	RIL Upside Share as determined in the manner to be set out in the PUA over a period of 20 years
ROCE	Return on Capital Employed
RSBVL	Reliance Strategic Business Ventures Limited
RV	Registered Valuer

Abbreviations	Meaning
Scheme/ Scheme of Arrangement	The scheme of arrangement between EWPPL (as the demerged entity), PIL and their respective creditors and shareholders under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, for the demerger of the Pipeline Business from EWPPL to PIL
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
Shared Services Agreement	The Shared Services Agreement dated February 11, 2019 entered amongst RIL, PIL and the Contractor and amendments thereto
SPA	Share Purchase Agreement dated February 11, 2019 amongst the Trust, the Investment Manager, RIHPL and PIL and amendments thereto
Sponsor	Rapid Holdings 2 Pte.. Ltd.
SSA	PIL Share Subscription Agreement dated February 11, 2019 amongst PIL, RIHL and the Trust
Sub-Contractor	Reliance Gas Pipelines Ltd
SUG	System Use Gas
Transaction Documents	Transaction documents shall mean the Framework Agreement, the Scheme of Arrangement, the Joint Venture Agreement, the PIL SHA, the SPA, the O&M Agreement, the O&M Sub-Contractor Agreement the Pipeline Usage Agreement, Shared Services Agreement, SSA, Infrastructure Sharing Agreement and DTD Agreement and amendments to these agreements
Trustee	Axis Trustee Services Limited

# 1. Executive Summary

## 1.1. Background

### The Trust

- 1.1.1. India Infrastructure Trust ("the **Trust**") was established on 22nd November 2018 as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882. The Trust is sponsored by Rapid Holdings 2 Pte. Ltd. The Trust is registered with Securities and Exchange Board of India ("SEBI") pursuant to the SEBI (Infrastructure Investment Trust) Regulations, 2014 ("SEBI InvIT Regulations"). The units of the Trust are listed on BSE Limited since 20th March 2019. The Trust is registered on 23rd January 2019 under the SEBI InvIT Regulations having registered number Reg No. – IN/InvIT/18-19/00008.
- 1.1.2. The investment objectives of the Trust are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations, by initially acquiring the Initial Portfolio Asset in the first instance and to make investments in compliance with the provisions of the SEBI InvIT Regulations.
- 1.1.3. The Initial Portfolio Asset of the Trust is a pipeline system used for the transport of natural gas ("Pipeline" or the "InvIT Asset"). The Pipeline is a cross-country, natural gas pipeline with a pipeline length of ~1,480 km including spur lines (together with compressor stations and operation centres), that stretches from Kakinada, Andhra Pradesh, in the east of India, to Bharuch, Gujarat, in the west of India, traversing adjacent to major cities in the states of Andhra Pradesh, Telangana, Karnataka, Maharashtra and Gujarat, owned by Pipeline Infrastructure Limited ("PIL"), the only Special Purpose Vehicle of the Trust.
- 1.1.4. Unit Holders of the Trust as on 31st March 2024 is as under:

Sr. No.	Particulars	No. of Units	%
1	Sponsor & Sponsor group	49,80,00,000	75.00%
2	Mutual Funds	2,92,00,000	4.40%
3	Financial Institutions or Banks	1,46,00,000	2.20%
4	Insurance Companies	70,00,000	1.05%
5	Other institutions	16,00,000	0.24%
6	Non-institutional investors	11,36,00,000	17.11%
	<b>Total</b>	<b>66,40,00,000</b>	<b>100.00%</b>

Source: BSE Limited

### The Sponsor

- 1.1.5. Rapid Holdings 2 Pte. Ltd. ("the **Sponsor**") is a wholly owned subsidiary of Rapid Holdings 1 Pte. Ltd. ("**Rapid 1**"), a company incorporated in Singapore. The Sponsor is an entity forming part of the Brookfield Group (i.e. the entities which are directly or indirectly controlled by Brookfield Corporation, formerly known as Brookfield Asset Management, Inc.).

Shareholding of the Sponsor as on 31st March 2024 is as under:

Sr. No.	Particulars	No. of Units	%
	<b>Equity Shares</b>		
1	Rapid Holdings 1 Pte Ltd. Singapore	96,400	96.40%
2	CIBC Mellon Trust Company (ATF Ontario Power Generation Inc. Pension Fund) Canada	3,600	3.60%
	<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>
	<b>Preference Shares</b>		
1	Rapid Holdings 1 Pte Ltd., Singapore	40,44,15,804	96.40%
2	CIBC Mellon Trust Company (ATF Ontario Power Generation Inc. Pension Fund) Canada	1,51,02,053	3.60%
	<b>Total</b>	<b>41,95,17,857</b>	<b>100.00%</b>

Source: Investment Manager

**Investment Manager**

- 1.1.6. Brookfield India Infrastructure Manager Private Limited (“the Investment Manager” or “BIIMPL”) is an Investment management company and is the Investment manager of India Infrastructure trust which is registered as an infrastructure investment trust with SEBI. The Investment Manager has over five years of experience in fund management. Further, the Investment Manager has appointed the Project Manager to (directly or indirectly) undertake operations and management of the Trust Assets, including the Pipeline.

Shareholding of the Investment Manager as on 31st March 2024 is as under:

Sr. No.	Particulars	No. of Units	%
1	BIF III Rapid IM Holdco. Pte Ltd	83,39,557	100.00%
2	BIF IV Jarvis IM Holdco. Pte Ltd*	1	0.00%
	<b>Total</b>	<b>83,39,558</b>	<b>100.00%</b>

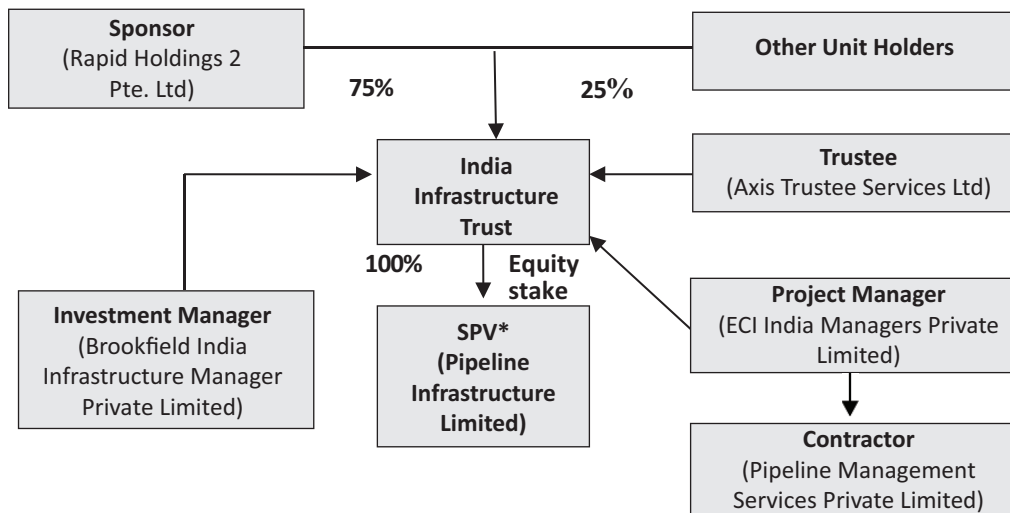
\*Held one share as a nominee of BIF III Rapid IM Holdco. Pte Ltd Source: Investment Manager

1.1.7. **Financial Asset to be Valued**

Enterprise Value (“EV”) is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities. The financial asset under consideration to be valued at Enterprise Value is as follows:-

INR Mn

Sr. No.	Name of the SPV	Acquisition Date	Acquisition Cost
1	Pipeline Infrastructure Limited	22 <sup>nd</sup> March 2019	500

**Structure of the Trust as at 31st March 2024:**

\*Reliance Strategic Business Ventures Limited (“RSBVL”) holds Redeemable preference shares of INR 50 Crores and Compulsory Convertible Preference shares of INR 4,000 crores in the SPV.

**1.2. Purpose and Scope of Valuation****Purpose of Valuation****1.2.1. As per Regulation 21(4) of Chapter V of the SEBI InvIT Regulations,**

*“A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year.”*

In this regard, the Investment Manager intends to undertake the fair enterprise valuation of the PIL as on 31st March 2024.

**1.2.2. In this regard, the Investment Manager have appointed Mr. S. Sundararaman (“Registered Valuer” or “RV” or “I” or “My” or “Me”) bearing IBBI registration number IBBI/RV/06/2018/10238 to undertake the fair valuation at the enterprise level of the PIL as per the SEBI InvIT Regulations as at 31st March 2024. Enterprise Value (“EV”) is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.****1.2.3. Registered Valuer declares that:**

- i. The RV is competent to undertake financial valuation in terms of SEBI InvIT Regulations;
- ii. The RV is independent and has prepared the Report on a fair and unbiased basis;
- iii. RV has valued the SPV based on the valuation standards as specified / applicable as per the SEBI InvIT Regulations.

**1.2.4. This Report covers all the disclosures required as per the SEBI InvIT Regulations and the valuation of the SPV is impartial, true and fair and in compliance with the SEBI InvIT Regulations.****Scope of Valuation****1.2.5. Nature of the Asset to be Valued**

The RV has been mandated by the Investment Manager to arrive at the Enterprise Value (“EV”) of the SPV. Enterprise Value is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

**1.2.6. Valuation Base**

Valuation Base means the indication of the type of value being used in an engagement. In the present case, RV has determined the fair value of PIL at the enterprise level. Fair Value Bases defined as under:

**Fair Value**

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 valuation date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Fair value or Market value is usually synonymous to each other except in certain circumstances where characteristics of an asset translate into a special asset value for the party(ies) involved.

**1.2.7. Valuation Date**

Valuation Date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The Valuation Date considered for the fair enterprise valuation of the PIL is 31st March 2024 (“**Valuation Date**”). The attached Report is drawn up by reference to accounting and financial information as on 31st March 2024. The RV is not aware of any other events having occurred since 31st March 2024 till date of this Report which he deems to be significant for his valuation analysis.

#### 1.2.8. Premise of Value

Premise of Value refers to the conditions and circumstances how an asset is deployed. In the present case, RV has determined the fair enterprise value of the PIL on a Going Concern Value defined as under:

##### Going Concern Value

Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, and procedures in place etc.

- 1.2.9. For the amount pertaining to the operating working capital, the Investment Manager has acknowledged to consider the provisional financial statements as on 31st March 2024 to carry out the valuation of the PIL.

#### 1.3. Summary of Valuation

I have assessed the fair enterprise value of the SPV on a stand-alone basis by using the discounted cash flow method under the income approach. Following table summarizes my explanation on the usage or non usage of different valuation methods:

Valuation Approach	Valuation Methodology	Used	Explanation
Cost Approach	Net Asset Value	No	NAV does not capture the future earning potential of the business. Hence, NAV method has been considered for background reference only.
Income Approach	Discounted Cash Flow	Yes	In present scenario, the true worth of the business would be reflected from its potential to earn income in the future and therefore, DCF method under the income approach has been considered as an appropriate method for the purpose of valuation.
Market Approach	Market Price	No	The equity shares of the SPV are not listed on any recognized stock exchange in India. Hence, I was unable to apply the market price method.
	Comparable Companies	No	In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPV, I am unable to consider this method for the current valuation.
	Comparable Transactions	No	In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method.



Under the Discounted Cash Flow (DCF) Method, Free Cash Flow to Equity (FCFE) has been used for the purpose of valuation of PIL. In order to arrive at the fair EV of the SPV under the DCF Method, I have relied on provisional financial statements as at 31st March, 2024 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the SPV prepared by the Investment Manager as at the Valuation Date based on their best judgement.

The discount rate considered for the SPV for the purpose of this valuation exercise is based on the Cost of Equity for the SPV.

The SPV owns a natural gas pipeline that stretches from Kakinada (Andhra Pradesh) to Bharuch (Gujarat). The SPV provides transportation Services to customers for transportation of gas from any particular entry point to any exit point and the terms of service are agreed in the Gas Transportation Agreement (GTA).

Further, the SPV has entered into Pipeline Usage Agreement (PUA) with RIL wherein RIL will reserve capacity, including of transportation, storage or other capacity, of up to 33 mmscmd ("Reserved Capacity") in the Pipeline for a period of 20 years.

Based on the methodology and assumptions discussed further, RV has arrived at the Fair Enterprise Value of the PIL as on the Valuation Date:

Sr. No.	SPV	Projection Period	COE	Fair EV (INR Mn)
1	PIL	~ 15 years	17.83%	1,25,354
<b>Total</b>				1,25,354

## 2. Procedures adopted for current valuation exercise

- 2.1. I have performed the valuation analysis, to the extent applicable, in accordance with ICAI Valuation Standards 2018 ("IVS") issued by the Institute of Chartered Accountants of India read with SEBI InvIT Regulations.
- 2.2. In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:
  - 2.2.1. Requested and received financial and qualitative information relating to the SPV;
  - 2.2.2. Obtained and analyzed data available in public domain, as considered relevant by me;
  - 2.2.3. Discussions with the Investment Manager on:
    - Understanding of the business of the SPV – business and fundamental factors that affect its earning-generating capacity including strengths, weaknesses, opportunities and threats analysis and historical and expected financial performance;
  - 2.2.4. Undertook industry analysis:
    - \* Research publicly available market data including economic factors and industry trends that may impact the valuation;
    - \* Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by me;
  - 2.2.5. Analysis of other publicly available information;
  - 2.2.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by me;
  - 2.2.7. Conducted physical site visit of the assets of the SPV;
  - 2.2.8. Determination of fair EV of the SPV.

### 3. Overview of the InvIT and the SPV

#### The Trust

- 3.1. The Trust is registered with Securities and Exchange Board of India (“SEBI”) pursuant to the SEBI (Infrastructure Investment Trust) Regulations, 2014 (“SEBI InvIT Regulations”). The Trust was established on 22nd November 2018 by Rapid Holdings 2 Pte. Limited (“Rapid Holdings” or “the Sponsor”). It is established to invest in infrastructure assets primarily being in the natural gas sector in India. The units of the Trust are listed on BSE Limited since 20th March 2019.
- 3.2. The Initial Portfolio Asset of the Trust is a pipeline system used for the transport of natural gas (“Pipeline” or the “InvIT Asset”). The Pipeline is a cross-country, natural gas pipeline with a pipeline length of ~1,480 km including spur lines (together with compressor stations and operation centres), that stretches from Kakinada, Andhra Pradesh, in the east of India, to Bharuch, Gujarat, in the west of India, traversing adjacent to major cities in the states of Andhra Pradesh, Telangana, Karnataka, Maharashtra and Gujarat, owned by PIL.
- 3.3. On 22nd March 2019 Trust acquired 100% controlling interest in Pipeline Infrastructure Limited (PIL” or “the SPV” or “the Company”) from Reliance Industries Holding Private Limited (“RIHPL”) which is not a related party transaction. As on 31st March 2024, the Trust (along with its 6 Nominees holding 1 share each) holds 100% of the issued equity shares of PIL, the only Special Purpose Vehicle of the Trust. The Trust has only one asset i.e. the PIL Pipeline.
- 3.4. On 22nd March 2019, PIL had issued and allotted 12,95,00,000 Unlisted, Secured, Redeemable Non- convertible Debentures of face value of INR 1,000 each aggregating to INR 12,950 Crore, at par, to the Trust, on private placement basis (“NCDs”), from which the Trust derives interest income. The said NCDs have been issued for a term of 20 years from the date of allotment. On 23rd April 2019, PIL has redeemed 6,45,20,000 NCDs of INR 1,000 each aggregating to INR 6,452 Crore, at par, out of the aforesaid 12,95,00,000 NCDs issued on 22nd March 2019. The proceeds from the redemption was utilized by the Trust to redeem the Trust NCDs. As on 31st March 2024, in line with the terms of issuance of the aforesaid NCDs, PIL had made payment of an aggregate amount of INR 1,441 Crore as Principal, from time to time, towards partial re-payment of the remaining 6,49,80,000 NCDs of INR 1,000 each, thereby proportionately reducing the face value of NCDs. Accordingly, as on 31st March 2024, the principal amount of the remaining 6,49,80,000 NCDs of INR 1,000 each has been reduced to INR 5,057 Crore.
- 3.5. Further, the total cumulative Expenditure Component Sweep (“ECS”) paid by PIL to the Trust is INR 741.30 Crore as on 31st March 2024 which is treated as advance and will be settled against the future repayments of the principal of NCDs as per the agreement(s).
- 3.6. During the year ended 31st March 2024, the Trust has earned INR 591.53 Crore as interest income from PIL.

#### Pipeline Infrastructure Limited (PIL or the SPV or the Company)

- 3.7. The principal business of SPV is to operate the PIL pipeline for transportation of natural gas. The Pipeline was put into commercial operation in April 2009, and prior to the effectiveness of the Scheme of Arrangement, was owned and operated by East West Pipeline Private Limited (“EWPPPL”).
- 3.8. PIL, with a length of ~1,480 km, is the sole pipeline connecting the East coast of India to the West coast. The erstwhile promoter of PIL, EWPL, had designed, constructed, and commissioned the pipeline after the discovery of natural gas reserves in the KG-D6 gas block in the Krishna Godavari (KG) basin. The Pipeline is also critical for transporting gas from the KG-D6 basin to customers and ensures the availability of natural gas to markets along Eastern and Western India and to consumers along the route. PIL has connectivity with pipelines of other operators such as GAIL and GSPL, which also provides delivery of gas to other parts of India. Being the only major pipeline at source, PIL holds significant importance for companies sourcing gas at the KG-D6 basin.

## 3.9. As at 31st March 2024,

- i. The Pipeline includes a network of 11 compressor stations and two operation centers, which incorporate modern telecommunication, emission control and operational systems for safe and efficient operations.
  - ii. Total 37 Mainline Sectionalizing Valve (“MLV”) stations are installed along the pipeline route so as to allow isolation of a section of pipeline in event of an emergency and/or repairs.
  - iii. The CS houses the facilities like gas turbine compressors, gas engine generators, gas after coolers, pigging receiver and launchers, electrical sub-station and other utilities like diesel generators, firefighting equipment and storage etc.
- 3.10. The Pipeline connects certain supply hubs and demand centres located in the eastern and western India which acts as an important link in the development of India’s national natural gas grid. It connects a number of domestic gas sources including the KG-D6 gas block and GSPC’s natural gas fields on the east coast and the HLPL LNG terminal at Hazira, Gujarat, with existing markets in the eastern, western and northern regions of India, as well as to consumers along the route.
- 3.11. The Pipeline has interconnects for receipt and delivery of gas connecting to source and other cross-country pipelines such as DVPL/ DUPL/ GSPL-HP & KG Basin networks. Metering and regulating stations are located at these interconnects and at customer locations. Tap-offs are also provided for new connections at regular intervals.
- 3.12. For managing the operations of the pipeline, main operation centre is located at CS01 Gadimoga, Andhra Pradesh and backup operations centre is located at CS08 Kalyan, Thane Local Control Centre has been provided at every Compressor Stations en-route the pipeline. Maintenance bases along with warehouse facilities have been set up at CS 03 and CS-08 apart from first level maintenance facilities provided at each of the compressor station en-route the pipeline.
- 3.13. The Company provides transportation Services to customers for transportation of gas from any particular entry point (i.e. source/ upstream pipeline) to any exit point (i.e. customer point/downstream pipeline).
- 3.14. PIL and Reliance Industries Limited (“RIL”) have signed a Pipeline Usage Agreement (“PUA”), enabling RIL to reserve transportation, storage, or other capacities in the pipeline, for a period of 20 years starting from 1st April 2019. As per the PUA, during the contract tenure, RIL has agreed to pay quarterly contracted capacity payments (“CCPs”) determined for four blocks of five years each, towards the annual contracted capacity. The obligation of RIL to pay the CCP is adjusted according to payments made for actual capacities contracted by RIL or third-party customers pursuant to the gas transportation agreements (“GTAs”). RIL ensures the payments of the regardless of whether they utilize the natural gas capacity of the pipeline. CCPs have been formulated in coherence with the operational expenditure and debt servicing requirements of PIL.
- 3.15. The Pipeline usage capacity is booked by the customers for which a Framework Gas Transportation Agreement (FGTA) is entered into between customers and PIL. FGTA provides for framework of general terms and conditions for transportation services rendered by PIL. After execution of FGTA, Gas Transportation Agreement (GTA) is entered into between customers and PIL for each of the specific transaction of transportation. GTA incorporates the terms of the FGTA by reference.
- 3.16. The transportation of gas through the pipeline is regulated by the Petroleum and Natural Gas Regulatory Board (PNGRB), which has established rules determining the tariffs for the transportation of natural gas. PNGRB reviews the tariffs at five-year intervals and the revised tariff is applied prospectively.

3.17. Following is PIL Pipeline Route Map:



Source: PIL's Website.

3.18. Key terms of GTA are as follows

Sr. No.	Particulars	Key Terms of GTA
I	Tariff	Tariff Rate in INR/mmbtu as approved by PNGRB
II	Terms	As mutually agreed between parties
III	Ship or Pay	Monthly 90% of Maximum Delivery Quantity (MDQ) level
IV	Payment Terms	- Fortnightly Invoicing - Payments within 4 days of invoice - Disputed amount will be paid in full, pending dispute settlement
V	Payment Security	Shipper shall provide LC covering 30*MDQ* ( Tariff + Taxes)
VI	PIL Liability Cap	50% of Annual Transportation Charges
VII	Planned Maintenance	- Without liability for ship or pay and liquidated damages - Total of 10 days annually allowed for transporter.

#### Tariff Determination as per Tariff Regulations

3.19. PNGRB has been authorized to regulate the tariff for transportation of gas based on the tariff submitted by the transporters and the regulations prescribed for such determination.

3.20. The tariff for gas transportation is divided into various zones of 300 km along the route of the natural gas pipeline from the point of entry till the point of exit as per the contract.

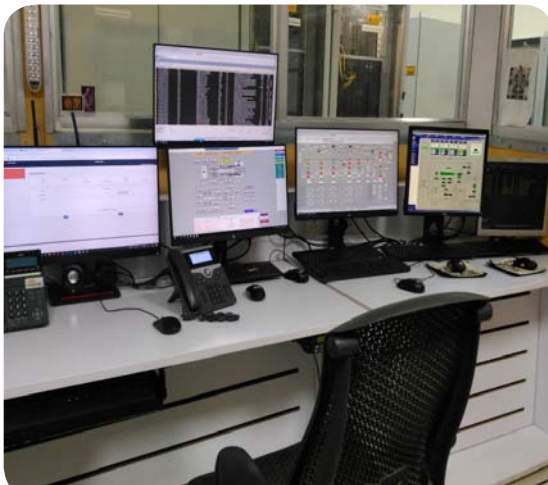
3.21. The key factors considered while determination on tariff as follows:

Sr. No.	Factors	Terms
1	Economic Life	30 years (as amended Nov'20)
2	Tariff Method	DCF, ROCE @12% post tax
3	Capex & Opex	Lower of Normative/Actual
4	Working Capital	30 days opex and 18 days receivables
5	System Use Gas	(Gas price + Tariff) x Quantity
6	Volume for Tariff Fixation	Higher of Normative or Actual
		Normative Volumes are determined as under-
		- 1-5 years: 60%, 70%, 80%, 90%, 100% of 75% of Capacity
		- Year 6 onwards: 75% of Capacity or firm contracted volumes
		whichever is higher
		- Volume Adjustment in first five years is permitted
7	Capacity	- As determined by PNGRB under relevant guidelines
8	Tariff Overview	- Initial Tariff for first year
		- First regular tariff for next five years
		- Subsequently fixed and reviewed every five years



**3.22. Site Visit Details:**

We have conducted physical site visit of the Compressor Station No. 1 located near Kakinada (CS – 01) on May 17, 2024. Following are the pictures of the site visit conducted:





**3.23. Overview of the Transaction agreements****3.23.1. Framework Agreement :-**

PIL, RIHPL, the Investment Manager and the Sponsor entered into a framework agreement, dated August 28, 2018 (the "Framework Agreement"), which records the understanding among the parties for, among others

- (1) transfer of the entire issued equity share capital of PIL to the Trust;
- (2) subscription by the Trust to the PIL NCDs;
- (3) transfer of the Pipeline Business from EWPPL to PIL pursuant to the Scheme of Arrangement for a net consideration of INR 6,500 million, payable through cash consideration of INR 6,000 million and issuance and allotment of 50,000,000 Redeemable Preference Shares to EWPPL by PIL.
- (4) repayment of the unsecured liability of 164,000 million ("Outstanding Payables"), owed by EWPPL in relation to the Pipeline Business, and transferred to PIL pursuant to the Scheme of Arrangement. Accordingly, through the Scheme of Arrangement, the Pipeline Business has been demerged from EWPPL to PIL for an asset value of INR 170,500 million along with the Outstanding Payables, i.e. for net consideration of INR 6,500 million.

**3.23.2. Share Purchase Agreement :-**

PIL, RIHPL, the Trust (acting through its Trustee) and the Investment Manager have entered into a share purchase agreement, dated February 11, 2019 (the "Share Purchase Agreement") for the purchase of 100% of the equity share capital of PIL by the Trust from RIHPL, for a purchase consideration of INR 500 million.

**3.23.3. Share Subscription Agreement :-**

PIL, Reliance Industrial Investments and Holdings Limited ("RIIHL") and the Trust have entered into a share subscription agreement dated February 11, 2019 (the "Share Subscription Agreement"). RIIHL has (either by itself or through one or more members of the RIL group) agreed to subscribe to 4,000 million compulsorily convertible preference shares of ₹ 10 each of PIL aggregating to INR 40,000 million (the "CCPS") on the date when the PIL NCDs are allotted to the Trust ("Transfer Date"). Further, RIIHL has transferred the CCPS to Reliance Strategic Business Ventures Limited ("RSBVL") with effect from September 13, 2019.

**3.23.4. Shareholders' & Options Agreement :-**

PIL, EWPPL, Reliance, the Trust and the Investment Manager have entered into the PIL SHA to set out their rights and obligations in relation to PIL. The rights and obligations under the PIL SHA include those of the Trust as the equity shareholder of PIL and the holder of the PIL NCDs, of the holders of the Preference Shares and of Reliance and the Trust in relation to the purchase and transfer of the equity shares of PIL.

The parties to the PIL SHA have agreed that the cash flows of PIL shall be distributed in the manner stipulated, such that distributions would be made to the holders of the PIL NCDs, followed by the equity shareholders from the cash available to PIL at the discretion of the Trust.

**3.23.5. Pipeline Usage Agreement :-**

PIL and RIL have entered into a pipeline usage agreement, the form of which has been agreed between the parties, on the Completion Date (the "Pipeline Usage Agreement"), which set out the terms for RIL to reserve transportation, storage or other capacity in the Pipeline for a period of 20 years. Under the Pipeline Usage Agreement, RIL will agree to reserve a capacity of up to a maximum of 33 mmscmd in the Pipeline for a period of 20 years, pursuant to which RIL shall pay PIL Contracted Capacity Payments determined for four blocks of five years each in the manner specified and calculated with reference to the Benchmark Rate i.e. Annual Interest rate, and subject to certain adjustments.

**3.23.6. O&M Agreement :-**

PIL, the Contractor and the Project Manager have entered into an operations and maintenance agreement, dated February 11, 2019 ("O&M Agreement"), in order to set out the terms for delegation of obligations by the Project Manager to the Contractor, towards the operation and maintenance of the Pipeline. The O&M Agreement includes

budget plans for the cost of operating and maintaining the Pipeline facilities, for a period of 20 years, as well a process of drawing up annual budgets and provides for the manner of dealing with amounts in excess of or less than actual amounts spent towards operation and maintenance of the Pipeline.

### 3.23.7. O&M Sub contract Agreement :-

PIL, the Contractor and the Sub-Contractor have entered into an operations and maintenance subcontract, dated February 11, 2019 ("O&M Sub-Contract Agreement"), in order to set out the terms for delegation of certain obligations by the Contractor to the Sub-Contractor for a certain portion of the Pipeline, i.e., from compressor station 8 to compressor station 10.

### 3.23.8. Infrastructure Sharing Agreement:-

PIL, the Contractor and RGPL have entered into an infrastructure sharing agreement dated February 11, 2019 ("Infrastructure Agreement") in order to set out the terms for permitting RGPL non-exclusive access to certain facilities of RGPL which are laid on the Pipeline's right of usage area and are co-located with the Pipeline facilities.

### 3.23.9. Shared Services Agreement :-

PIL, RIL and the Contractor have entered into an shared services agreement, dated February 11, 2019 ("Shared Services Agreement"), in order to set out the terms for RIL to provide PIL and the Contractor with certain identified services in connection with the Pipeline Business, for a period of three years, in order to enable business continuity, seamless operations and an effective cost structure of the Pipeline Business, pursuant to the demerger of the Pipeline Business from EWPPPL to PIL.

### 3.23.10. Performance of PIL:

**Historical Volumes:** (in MMSCMD)

Particulars	FY 19	FY 20	FY 21	FY 22	FY 23
Volumes Transported	19.53	18.78	11.99	20.56	23.68

**Financial Performance:**

Particulars	FY 19	FY 20	FY 21	FY 22	FY 23
Revenue from Operations	10,584	24,071	17,917	25,920	27,440
Other Income (Net)	94	330	296	385	564
Fair Value gain/(loss) on NCD	-	(18,177)	(763)	375	5,173
<b>Total Income</b>	<b>10,678</b>	<b>6,224</b>	<b>17,450</b>	<b>26,680</b>	<b>33,177</b>
Employee Benefit Expenses	121	201	281	307	346
Transmission Charges	-	8,676	5,263	1,923	248
Other Expenses	8,063	2,555	2,421	3,875	6,326
<b>Reported EBITDA</b>	<b>2,494</b>	<b>(5,208)</b>	<b>9,484</b>	<b>20,575</b>	<b>26,258</b>
<b>EBITDA %</b>	<b>23%</b>	<b>(84%)</b>	<b>54%</b>	<b>77%</b>	<b>79%</b>
Depreciation & Amortisation	6,526	8,314	8,446	8,714	9,349
<b>Reported EBIT</b>	<b>(4,032)</b>	<b>(13,522)</b>	<b>1,038</b>	<b>11,861</b>	<b>16,909</b>
<b>EBIT %</b>	<b>(38%)</b>	<b>(217%)</b>	<b>6%</b>	<b>44%</b>	<b>51%</b>
Finance Costs	372	12,092	12,946	12,166	11,899
<b>Reported EBT</b>	<b>(4,404)</b>	<b>(25,614)</b>	<b>(11,907)</b>	<b>(305)</b>	<b>5,010</b>
<b>EBT %</b>	<b>(41%)</b>	<b>(412%)</b>	<b>(68%)</b>	<b>(1%)</b>	<b>15%</b>

## 4. Overview of the Industry

### 4.1 Introduction

- 4.1.1 The future of India's energy sector and a large part of its economic development will be dominated by energy transition in the coming years, where conventional fossil fuels such as diesel and oil will take backseat. Global environmental commitments and domestic regulations are pushing India to switch cleaner and more efficient energy sources, forcing the country to place energy infrastructure at the top agenda.
- 4.1.2 This increase in consumption is expected to be supplemented by an alteration in the primary energy mix of India on account of the substitution of oil by natural gas. The share of natural gas in the energy mix of India is expected to increase to 20% in 2025 as compared to 11% in 2010. However, given that all the plans for expansion in natural gas supply in the country with the help of additional RLNG terminals, nation-wide transmission pipeline network and transnational pipelines are expected to materialize by 2025, it is envisaged that the share of natural gas in the primary energy mix would reach 20% till 2030 if not more
- 4.1.3 In recent years the demand for natural gas in India has increased significantly due to its higher availability, development of transmission and distribution infrastructure, the savings from the usage of natural gas in place of alternate fuels, the environment friendly characteristics of natural gas as a fuel and the overall favourable economics of supplying gas at reasonable prices to end consumers. Power and Fertilizer sector remain the two biggest contributors to natural gas demand in India and continue to account for more than 55% of gas consumption. India can be divided into six major regional natural gas markets namely Northern, Western, Central, Southern, Eastern and North-Eastern market, out of which the Western and Northern markets currently have the highest consumption due to better pipeline connectivity.
- 4.1.4 During the 2000 to 2004 period, India's gas market witnessed gas discoveries in the Krishna Godavari Basin ("KG Basin"), the setting up of the liquefied natural gas ("LNG") re-gasification terminal and the commencement of LNG supply and successful execution/roll out of city gas distribution projects. These developments had a positive impact on the environment and led to plans to set up a regulator due to the emergence of gas economy and related infrastructure development. During the 2004 to 2011 period, India witnessed the beginning of the gas era, with successful commencement and operation of LNG terminal, expansion of the transmission pipeline network in the northwestern corridor and the new network in the east- west corridor, setting up of the regulator - The Petroleum and Natural Gas Regulatory Board ("PNGRB"), and the authorization of new pipelines and geographical areas ("GA"s) for the city gas distribution ("CGD") network, an increase in gas production from the KG Basin and increased supply of gas to many end use sectors. During this period, the government announced a Gas Allocation Policy prescribing sector-wise allocation for gas being produced from the KG Basin.
- 4.1.5 The following period, 2011 to 2015, witnessed an unprecedented decline in gas production from the KG Basin, from approximately 60 million metric standard cubic meter per day ("MMSCMD") to approximately 10 MMSCMD. Gas production forecasts from other fields/ discoveries in the KG Basin also failed to materialize. With declining gas production from the traditional fields of the Oil and Natural Gas Corporation ("ONGC"), India witnessed a continuous decline period in gas production for five years and the government decided to not pursue any new gas based power projects, due to stranded power projects of approximately 14,000 megawatts ("MW"). The current government is trying to reduce the uncertainty in the gas market by announcing policies to attract investments and increase production.

### 4.2 Demand-Side Scenario

- 4.2.1 In future, the natural gas demand is all set to grow significantly at a CAGR of 6.8% from 242.6 MMSCMD in 2012-13 to 746 MMSCMD in 2029-30. This demand represents the Realistic Demand for natural gas in India.
- 4.2.2 Gas based power generation is expected to contribute the highest, in the range of 36% to 47%, to this demand

in the projected period (2012-13 to 2029-30). The share of fertilizer sector in the overall gas consumption in the country is expected to go down from 25% in FY 2013 to 15% in FY 2030 owing to higher growth in other sectors.

- 4.2.3 The contribution to the overall demand from the CGD sector is set to increase from 6% to 11% during the projected period.
- 4.2.4 The capacity of RLNG terminals in India is expected to increase from 17.3 MMTPA in 2012-13 to 83 MMTPA in 2029-30 assuming all the existing and planned terminals in India would materialize

**Consolidated segment wise demand for natural gas from 2012-13 to 2029-30**

MMSCMD	2012-13	2016-17	2021-22	2026-27	2029-30
Power	86.50	158.88	238.88	308.88	353.88
Fertilizer	59.86	96.85	107.85	110.05	110.05
City Gas	15.30	22.32	46.25	67.96	85.61
Industrial	20.00	27.00	37.00	52.06	63.91
Petchem/Refineries/Internal Cons.	54.00	65.01	81.99	103.41	118.85
Sponge Iron/Steel	7.00	8.00	10.00	12.19	13.73
<b>Total Realistic Demand</b>	<b>242.66</b>	<b>378.06</b>	<b>516.97</b>	<b>654.55</b>	<b>746.03</b>

**4.3 Supply-Side Scenario**

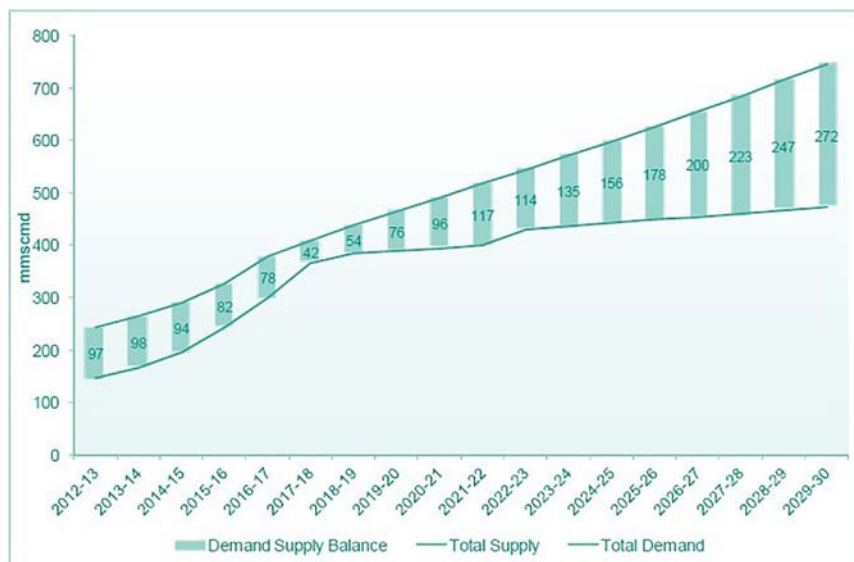
- 4.3.1 The supply of natural gas is likely to increase in future with the help of increase in domestic gas production and imported LNG.
- 4.3.2 However, the expected increase in domestic production at present is significantly lower than earlier projections due to a steady reduction in gas output from the KG D6 field
- 4.3.3 The capacity of RLNG terminals in India is expected to increase from 17.3 MMTPA in 2012-13 to 83 MMTPA in 2029-30 assuming all the existing and planned terminals in India would materialize.
- 4.3.4 Natural gas availability through non-conventional sources like Shale Gas and Gas Hydrates has not been considered in gas supply projections in the absence of clarity on key variables like data as most of India remains unexplored/underexplored, regulatory policy and lack of domestic infrastructure.
- 4.3.5 The total supply of natural gas is expected to grow at a CAGR of 7.2% from 2012 to 2030 reaching 400 MMSCMD by 2021-22 and 474 MMSCMD by 2029-30.
- 4.3.6 The supply profile for the projected period has been provided in Table below.

**Table: Consolidated source wise supply of natural gas from 2012-13 to 2029-30**

MMSCMD	2012-13	2016-17	2021-22	2026-27	2029-30
Domestic Sources	101	157	182	211	230
LNG Imports	45	143	188	214	214
Gas Imports (Cross border Pipelines)	-	-	30	30	30
<b>Total</b>	<b>146</b>	<b>300</b>	<b>400</b>	<b>455</b>	<b>474</b>

- 4.3.7 The demand-supply gap is likely to again increase post 2017-18 and reach about 272 MMSCMD by 2029-30 as increase in supply lag behind a steady increase in demand. The demand-supply gap that is likely to prevail over the projected period has been depicted in the graph below.

Figure: Demand Supply balance of natural gas from 2012-13 to 2029-30



- 4.3.8 India, currently, has a network of about 13,000 km of natural gas transmission pipelines with a design capacity of around 337 MMSCMD. This pipeline network is expected to expand to around 28,000 Kms with a total design capacity of around 721 MMSCMD in next 5-6 years, putting in place most of the National Gas Grid that would connect all major demand and supply centre in India. This would ensure wider availability across all regions and also potentially help to achieve uniform economic and social progress. A summary of planned additions to the natural Natural Gas Infrastructure in India during the projected period has been provided in the Table below:

Table: Summary of Planned additions to pipeline infrastructure

Pipelines	Design Capacity (mmscmd)	Length (Kms)
Existing till 2012	306	12,144
Expected addition in the 12th Plan	416	15,928
Expected addition in the 13th Plan	60	3,360
Capacity addition MBBVPL/MBPL/Surat Paradip/pipelines beyond 13th Plan and till 2030	33	1,295
<b>Total</b>	<b>815</b>	<b>32,727</b>

- 4.3.9 The design capacity of pipeline network in India is expected to reach 815 MMSCMD in 2029-30. However, considering the addition of capacity directly linked to the existing/planned sources of natural gas in the country, the gas grid capacity in India (pipeline emanating from source) is expected to reach 582 MMSCMD in 2029-30 from the present 274 MMSCMD.
- 4.3.10 This capacity is expected to take care of the natural gas supply scenario in the projected period. In addition to the trunk lines regional gas pipelines, similar to the intra-state network of Gujarat, are recommended for highly industrialized states.
- 4.3.11 It is expected that going forward the Southern and Northern part of India would catch-up with the Western part in terms of pipeline infrastructure while Eastern and North Eastern part of the country would lag behind and would require policy boost for industrial development to attract more investments.

#### 4.4 Future Outlook of Natural Gas

- 4.4.1 The power sector is limiting its LNG usage due to the base power being highly sensitive to gas price. Any gas that priced over USD 5.5 / one million British thermal units ("mmbtu") makes it challenging for gas based power to compete with coal based power.

- 4.4.2 With renewable power prices also decreasing in recent years, the competitiveness of gas based power faces a challenge and therefore, a specifically focused strategy on the power sector to make gas usage viable or acceptable is required.
- 4.4.3 Overall production of natural gas is to rise on the back of scale up natural gas production from the KG basin block. Consumption of natural gas has been recovering during FY22. Given the government's thrust towards propagating the use of natural gas, consumption is to be supported by the increase of its use in the GD network.
- 4.4.4 The following table sets forth the domestic natural gas price and gas ceiling (gross calorific value basis):

Period	Domestic Natural Gas Price in USD/MM BTU	Gas Price ceiling USD/MM BTU
April 2016 - September 2016	3.06	6.61
October 2016 - March 2017	2.5	5.3
April 2017 - September 2017	2.48	5.56
October 2017 - March 2018	2.89	6.3
April 2018 - September 2018	3.06	6.78
October 2018 - March 2019	3.36	7.67
April 2019 - September 2019	3.69	9.32
October 2019 - March 2020	3.23	8.43
April 2020 - September 2020	2.39	5.61
October 2020 - March 2021	1.79	4.06
April 2021 - September 2021	1.79	3.62
October 2021 - March 2022	2.9	6.13
April 2022 - September 2022	6.1	9.92
October 2022 - March 2023	8.57	12.46
1 April 2023 - 7 April 2023	9.16	12.12

- 4.4.5 There has been significant increase in the domestic natural gas price and ceiling there making it further difficult for viability of gas based power plants. The increase over the past year has been steep and has seen the highest price over past 5 years.

#### 4.5 Indian Gas Transmission Infrastructure

- 4.5.1 Indian natural gas sector is facing one of the major challenges in recent years in terms of lower quantum and sluggish growth in domestic gas production, challenges of underutilization of regasification and transmission pipeline infrastructure and global oil and gas market dynamics.
- 4.5.2 Though gas industry in India as witnessed growth in terms of demand and infrastructure In the last decade, the growth has still remained limited to few regions and the pipeline and distribution infrastructure has remained confined to a few states in the West – North belt and East to West.
- 4.5.3 India's gas transmission infrastructure has been growing since the completion of the first long term LNG deal in late 1990s and the supply of gas from new sources during the 2001 to 2010 period. Additional arterial pipeline network on the Hazira- Vijaipur – Jagdishpur corridor and the east-west corridor and the regional network in the Mumbai and Gujarat regions provided the necessary impetus to growth.
- 4.5.4 The CGD infrastructure also grew along with these corridors and regions. The decline in domestic production and the challenges of using high priced LNG caused pipeline utilization to decrease.

- 4.5.5 GAIL India ("GAIL") owns the largest network of the natural gas transmission infrastructure present in the country. The company currently owns and operates 9,000km of high-pressure natural gas pipelines with a transmission capacity of more than 160mmcmd. At around 3,750 km in length, GAIL's Hazira-Vijaipur- Jagdishpur (HVJ) pipeline is the longest natural gas pipeline network in the country operating at 100% capacity.
- 4.5.6 With no free capacity, this network has been unable to meet the increase in domestic natural gas supplies stemming from the commencement of production at the KG D6 field and the increase in India's overall RLNG capacity.
- 4.5.7 To overcome this problem, GAIL has done expansion and upgradation of its network. The rest of the country's natural gas trunk pipelines network is owned by Gujarat State Petronet Limited (GSPL), PIL and a small network owned by Gujarat Gas Company Limited (GGCL) and Assam Gas Company Limited (AGCL).
- 4.5.8 Although the gas pipeline coverage has increased, it is still inadequate to channelize the gas supply to demand centers in the country. The present state of natural gas transmission infrastructure in the country has been summarized in the below table:

**Table: Natural gas transmission infrastructure in India**

Name of pipeline	Name of entity	Length Kms	Design Capacity in MMSCMD
HVJ+GREP+DVPL	GAIL	4222	53
DVPL-GREP Upgradation	GAIL	1280	54
Dahej-Uran-Panvel-Dabhol	GAIL	815	19.9
Agartala P/L network	GAIL	61	2.3
Mumbai regional P/L network	GAIL	129	7
Assam regional P/L network	GAIL	8	2.5
KG Basin regional P/L network	GAIL	878	16
Gujarat regional P/L network	GAIL	760	3.9
Cauvery regional P/L network	GAIL	271	3.9
PIL	PIL	1460	80

**Table: Natural gas transmission infrastructure in India – Regional Distribution**

Region	Approx. % of Total gas P/L network	% of consumption	States with infrastructure and consuming gas	States lacking pipeline infrastructure
Western	40%	53%	Gujarat, Maharashtra	Goa
Northern	20%	26%	Delhi, UP, Haryana, Rajasthan	Punjab, J&K, Himachal Pradesh, Uttarakhand
Central	13%	3%	Madhya Pradesh	Chhattisgarh
Southern	16%	14%	Tamilnadu, Andhra Pradesh	Kerala, Karnataka
Eastern	0%	NIL	-	Bihar, West Bengal, Jharkhand, Orissa
North Eastern	10%	4%	Assam, Tripura	Meghalaya, Sikkim, Arunachal Pradesh, Mizoram, Manipur, Nagaland

- 4.5.9 The western region of India accounts for the highest proportion of the existing pipeline network of the country and also for the highest consumption of natural gas. At the same time the presence of pipeline network remains significantly low in the central, southern and eastern parts of the country.

Source: PNGRB 2023 Vision Report



## 5. Valuation Methodology and Approach

- 5.1. The present valuation exercise is being undertaken in order to derive the fair EV of the SPV.
- 5.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.
- 5.3. There are three generally accepted approaches to valuation:
  - (a) “Cost” approach
  - (b) “Market” approach
  - (c) “Income” approach

### 5.4. Cost Approach

The cost approach values the underlying assets of the business to determine the business value. This valuation method carries more weight with respect to holding companies than operating companies. Also, cost value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

#### Net Asset Value (“NAV”) Method

The NAV Method under Cost Approach considers the assets and liabilities, including intangible assets and contingent liabilities. The Net Assets, after reducing the dues to the preference shareholders, if any, represent the value of a company.

The NAV Method is appropriate in a case where the main strength of the business is its asset backing rather than its capacity or potential to earn profits. This valuation approach is also used in cases where the firm is to be liquidated, i.e. it does not meet the “going concern” criteria.

As an indicator of the total value of the entity, the NAV method has the disadvantage of only considering the status of the business at one point in time.

Additionally, NAV does not properly take into account the earning capacity of the business or any intangible assets that have no historical cost. In many aspects, NAV represents the minimum benchmark value of an operating business.

### 5.5. Market Approach

Under the Market approach, the valuation is based on the market value of the company in case of listed companies, and comparable companies’ trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors’ perception about the true worth of the company.

#### Comparable Companies Multiples (“CCM”) Method

The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

#### Comparable Transactions Multiples (“CTM”) Method

Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/Earnings before Interest, Taxes, Depreciation & Amortization (“EBITDA”) multiple and EV/Revenue multiple.

### Market Price Method

Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

## **5.6. Income Approach**

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

### Discounted Cash Flow ("DCF") Method

Under DCF Method value of a company can be assessed using the Free Cash Flow to Firm Method ("FCFF") or Free Cash Flow to Equity Method ("FCFE"). Under the FCFF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both, the owners and creditors of the business. The free cash flows in the explicit period and those in perpetuity are discounted by the Weighted Average Cost of Capital ("WACC"). The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.

The perpetuity (terminal) value is calculated based on the business' potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

In case of free cash flows to equity ("FCFE"), the cash available for distribution to owners of the business is discounted at the Cost of Equity and the value so arrived is the Equity Value before surplus/non-operating assets.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business' future operations. The EV (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of the business.

## 6. Conclusion on Valuation Approach

- 6.1. It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond my control. In performing my analysis, I have made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the SPV. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the SPV, and other factors which generally influence the valuation of companies and their assets.
- 6.2. The goal in selection of valuation approaches and methods for any financial instrument is to find out the most appropriate method under particular circumstances on the basis of available information. No one method is suitable in every possible situation. Before selecting the appropriate valuation approach and method, I have considered various factors, inter-alia, the basis and premise of current valuation exercise, purpose of valuation exercise, respective strengths and weaknesses of the possible valuation approach and methods, availability of adequate inputs or information and its reliability and valuation approach and methods considered by the market participants.

### Cost Approach

The existing book value of EV of the SPV comprising of the value of its Net fixed assets, Net intangible assets and working capital based on the provisional financial statements as at 31st March 2024 as under:

INR Mn	31-Mar-24
Net Fixed Assets	1,09,060
ROU Assets	170
Capital WIP	466
Intangible Assets	14,225
Other Non-current Assets	407
<b>Total Non-Current Assets (A)</b>	<b>1,24,327</b>
Total Current Assets	6,054
Total Current Liabilities	7,038
<b>Net Current Assets (B)</b>	<b>(983)</b>
Lease Liabilities	198
Payable to Reliance against capacity reservation	8,042
<b>Total Other Liabilities (C)</b>	<b>8,240</b>
<b>Enterprise Value</b>	<b>1,15,104</b>

In the present case, the SPV operate and maintain the gas pipeline in accordance with the terms and conditions under the relevant regulations. The amount of tariff that they may collect are notified by the relevant government agency, in this case the PNGRB which are usually revised from time to time as specified in the relevant tariff order notifications. In such scenario, the true worth of the business is reflected in its future earning capacity rather than the cost of the project. Accordingly, I have not considered the cost approach for the current valuation exercise.

### Market Approach

The present valuation exercise is to undertake fair EV of the SPV engaged in the Natural Gas Infrastructure projects for a predetermined tenure. Further, the tariff revenue and expenses are very specific to the SPV depending on

the nature of their geographical location, stage of project, terms of profitability. In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPV, I have not considered CCM method in the present case. In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method. Currently, the equity shares of the SPV are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.

#### **Income Approach**

In the present case, we have used the Discounted Cash Flow (“DCF”) method, to determine the enterprise value of the company. Under the FCFE method, cash flows available to the equity holders of the company after all expenses including debt repayment is calculated. The value then discounted to its present value using the Cost of Equity (“COE”) to determine the equity value of the company. Further, Enterprise Value (“EV”) is then computed as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities. The surplus assets / non-operating assets are also adjusted.

## 7. Valuation of the SPV

I have estimated the EV of the SPV using the DCF Method. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statement of the SPV as provided by the Investment Manager.

### Qualification and Key Assumptions

#### 7.1. Cash Flows:

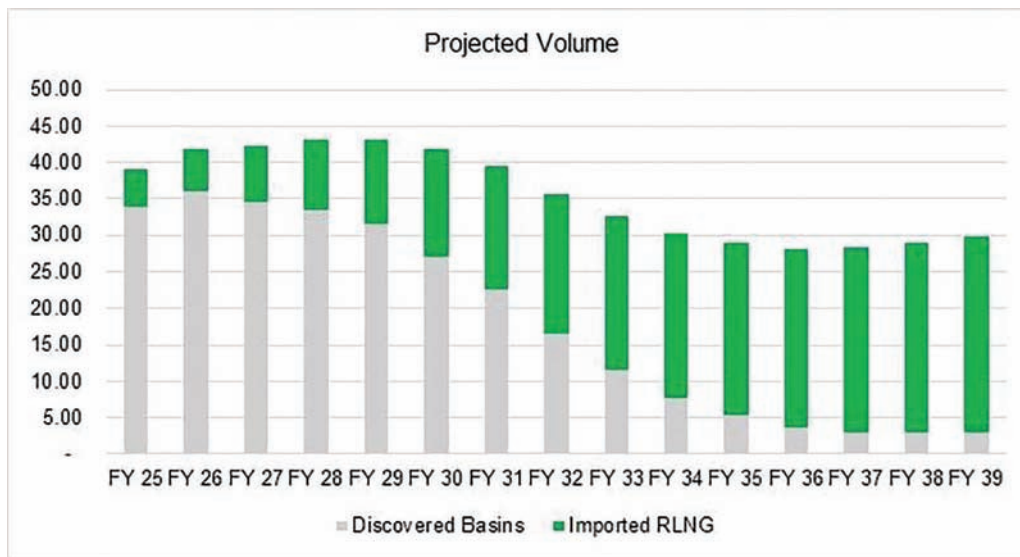
- As per Pipeline Usage Agreement (PUA), RIL will reserve capacity, including of transportation, storage or other capacity, of up to 33 mmscmd ("Reserved Capacity") in the Pipeline for a period of 20 years commencing from the Completion Date ("PUA Term") in accordance with the said agreement. In consideration to this, RIL will make Contracted Capacity Payments (CCPs) of ~2,124 Cr annually which will be paid quarterly and may vary at the beginning of every Block of 5 year in the manner provided in the PUA.

#### 7.2. Projection Period/Terminal Value:

- As per the PIL SHA, RIL has the right, but not the obligation, to purchase the entire equity stake of the Trust in PIL after a specific term or occurrence of certain events for a consideration of INR 500 Mn. ("Call Option") Correspondingly, the Trust has the right, but not the obligation to sell its entire equity stake in PIL after a specific term or occurrence of certain events for a consideration of INR 500 Mn ("Put Option") or value determined by valuer, whichever is lower.
- The Investment Manager expects that the option shall trigger at the expiry of 20 years from the date on which the completion occurs in accordance with the SPA (Option Exercise Event). Further, on the Option Exercise Event, the Investment Manager expects that Call Option shall be exercised by RIL and hence, I have limited the projection period to the Option Exercise Event i.e. 20 Years from the Completion Date as per the SHA.
- As per the PUA, at the option trigger date, RIL will be able to acquire the equity shares of PIL from the InvIT by paying a consideration of INR 500 Mn or value determined by valuer, whichever is lower.
- Hence, I have considered the present value of INR 500 Mn as the terminal period value for the InvIT.

#### 7.3. Volumes:

- The gas transportation volume is based on the projections provided by the Management by estimating the production of natural gas that could be transported through the Pipeline.
- I have also referred on the technical report titled "KG Basin Gas Supply Assessment" ("Technical Report") dated November 28, 2023 issued by Wood Mackenzie. The Technical Report provides with the estimations of gas volumes expected to be extracted from the discovered and undiscovered basins.
- The primary source of production of natural gas is from the KG basin discovered resources. Additionally, estimates of production volumes from yet to find resource, LNG volumes expected to be flown in the PIL pipeline from west coast terminals and also some additional technical reserves in KG Basin are also considered. It is assumed that there would be new gas explorations in KG D6, etc. fields in the east coast of India.
- The Volumes (in MMBTU) expected by the management to be transmitted through PIL's pipeline for the forecasted period are as follows :



The above Volumes have been approved by the management of SPV and also approved by BIMPL through the Management Representation letter provided.

**7.4. Gas Transportation Tariff:** The Pipeline operations and business adhere to an established regulatory and statutory framework set out by the PNGRB Act 2006, the PMP Act 1962 and the regulations issued thereunder.

The levelized tariff rate currently fixed by the PNGRB vide order date March 12, 2019 for the pipeline is INR 71.66/ MMBtu. As discussed with the Investment Manager of PIL, the levelised tariff rate is expected to increase in near future to around INR 79/ MMBtu due to change in economic life, working days, corporate tax rate, operating cost and system used gas price and other related parameters that are expected to be effective from April 2025 in accordance with the Notified Tariff Amendment, 2020/2022 and Tariff Review Adjustments.

Natural Gas Price Assumption:

The management has provided us with the expected LNG prices for the forecasted period as given in S&P as below:

Region	West Coast India
Currency	USD
UOM	MMBtu
2024	10.19
2025	10.42
2026	9.40
2027	10.65
2028	8.77
2029	8.18
2030	9.13
2031	10.24
2032	11.26
2033	12.50
2034	13.04
2035	13.55
2036	13.70
2037	14.20
2038	14.49
2039	14.69

Further, the relationship of gas and crude oil prices i.e. the viability of use of gas is economically viable during the forecasted period. In this connection, we have also been represented by the Investment Manager that the global crude price movement forecast is in sync with the above assumption.

- 7.5. Operation & Maintenance Expenses:** PIL, Pipeline Management Services Private Limited (the Contractor) and the Project Manager have entered into the O&M Agreement, in order to delegate obligations to the Contractor for the operation and maintenance of the Pipeline. The O&M Agreement includes budget plans for the cost of operating and maintaining the Pipeline facilities, over certain categories, for the balance life of the Pipeline Asset. Certain expenses are to be incurred directly by PIL, while others are to be incurred by the Contractor and then reimbursed by PIL. The cost of operating and maintaining the Pipeline facilities included in the O&M Agreement are based on agreed projections and estimates between the parties to the O&M Agreement.

System Use Gas is referred to as the quantity of gas used by the Transporter for the operation & maintenance of the pipeline system. It constitutes for ~50% of the total expenses incurred by PIL. The Other Expenses considered as a part of O&M are:

- i. Employee Benefit Expenses
- ii. Stores & Spares
- iii. Power & Fuel Expenses
- iv. Repairs & Maintenance
- v. Insurance Expenses
- vi. Professional Fees
- vii. Rent, Rates & Taxes

**7.6. Interest and Principal Repayment of Debt:**

- As per the DTD Agreement, payment of interest component will be at the Annual Interest Rate ("AIR") which will be computed on the outstanding principal of Total NCDs (i.e. InvIT NCDs + Listed NCDs). For the first block of a period of 5 years from March 22, 2019 to March 22, 2024, the AIR is fixed at 9.74%. For the second block from March 23, 2024 the AIR is fixed at 9.50%. The AIR shall be subject to a minimum to 9.5% and a maximum of 10.5%. Accordingly, the coupon rate for balance period is considered to be 9.54% for each 5-year block post March 22, 2029 based on forward rates.
- From such interest component, first the payment will be made for interest payable to the Listed NCDs and balance interest shall be paid to InvIT NCDs. On 11th March 2024, the Management of PIL has refinanced its listed NCDs, which involved restructuring them into three series: Series I, Series II, and Series III NCDs. Here are the detailed particulars regarding the refinancing of the NCDs:

Series	Face Value (INR)	Total Amount (INR Mn)	Coupon Rate	Repayment Term (Years)
I	1,00,000	10,000	7.96%*	3
II	1,00,000	10,000	7.96%*	4
III	1,00,000	44,520	7.96%*	5

\*per annum payable quarterly.

- The repayment of the NCDs will occur through refinancing at the end of their respective repayment terms for Series I, II, and III. The refinancing rate for these NCDs is expected at 8.01% per annum, payable quarterly which results in an effective interest rate of 7.78% per quarter. The calculation takes into account the current corporate spread on the recently issued observable instrument in the market.
- Similar approach is adopted for payment of principal portion of the Total NCDs where first the payment will be made for principal payable to Listed NCDs and balance principal portion shall be paid to InvIT NCDs.



**7.7. Capital Expenditure:** I have considered the maintenance capex for the projected period as represented by the Investment Manager. Based on the discussions with the management, I understand that for better upkeep and productivity of the pipeline, the yearly capital expenditure has been forecasted and will be incurred as long term and short term operating expenditure which shall be annual in nature.

**7.8. Working Capital:** The Investment Manager has represented the working capital requirement of the SPV for the projected period.

- The amount of inventory is estimated to be maintained at the same level as existing on 31st March 2024. The working capital days outstanding estimation for key items are as follows:
- Debtors – 15 days of annual revenue
- Gas Consumption & Other Operating Expenses – 90 days of annual expenses
- ECS has been as a part of working capital based on the agreement entered into by PIL and the Trust.

**7.9. Direct Tax:** As per the discussions with the Investment Manager, the new provision of Income Tax Act, 1961 (Section 115BAA) has been considered for the projected period of the SPV, which inter alia does not provide benefits of additional depreciation and section 80-IA and Sec 115 JB. Accordingly, the base corporate tax rate of 22% (with applicable surcharge and cess) is considered.

**7.10. Cost of Equity:**

Cost of Equity (CoE) is a discounting factor to calculate the returns expected by the equity holders depending on the perceived level of risk associated with the business and the industry in which the business operates.

For this purpose, I have used the Capital Asset Pricing Model (CAPM), which is a commonly used model to determine the appropriate cost of equity for the SPV.

$$K(e) = R_f + [ERP * \text{Beta}] + \text{CSRP}$$

Wherein:

$K(e)$  = cost of equity  $R_f$  = risk free rate

ERP = Equity Risk Premium

Beta = a measure of the sensitivity of assets to returns of the overall market CSRP = Company Specific Risk Premium

For valuation exercise, I have arrived at adjusted cost of equity of the SPV based on the above calculation.

**7.11. Risk Free Rate:**

I have applied a risk free rate of return of 6.97% on the basis of the zero coupon yield curve as on 31st March 2024 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited ("CCIL").

**7.12. Equity Risk Premium ("ERP"):**

Equity Risk Premium is a measure of premium that investors require for investing in equity markets rather than bond or debt markets. The equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by 10 year government bonds. Based on the above a 7% equity risk premium for India is considered appropriate.

**7.13. Beta:**

Beta is a measure of the sensitivity of a company's stock price to the movements of the overall market index. In the present case, I find it appropriate to consider the beta of companies in similar business/ industry to that of the SPV for an appropriate period.

Based on my analysis of the listed InvITs and other companies in Infrastructure sectors, I find it appropriate to consider the beta of Gujarat State Petronet Ltd ("GSPL"), Gail India Ltd, Mahangar Gas Ltd, Indraprastha Gas Ltd,

Gujarat Gas Ltd and Petronet LNG Ltd. for an appropriate period for the current valuation exercise. I have further unlevered the beta of such companies based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Further I have re-levered it based on debt-equity at 50:50 based on the average debt: equity ratio of the project over its life using the following formula:

Re-levered Beta = Unlevered Beta \* [1 + (Debt / Equity) \* (1-T)] Accordingly, as per above, I have arrived at re-levered betas of the SPV.

#### 7.14. Company Specific Risk Premium:

Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In the present case, I found it appropriate to consider 3% as CSRP.

#### 7.15. Debt : Equity Ratio:

In present valuation exercise, I have considered debt: equity ratio of 50:50 based on average debt: equity ratio of a SPV project over its life. Accordingly, I have considered the same weightage to arrive at the COE of the SPV.

#### 7.16. RIL Upside/ Amount Accruing to RIL:

RIL shall be entitled to the RIL Upside share in respect of financial years when the actual GTA Capacity charges received by PIL in a Financial Year are higher than the Contracted Capacity Payments payable during the financial year. "RIL Upside Share" shall be equal to the amount determined in the following manner:

All Free Cash Flow available with PIL for the relevant Year after meeting all the payment obligations on the Non-Convertible Debentures namely

- Equated Yearly Instalments ("EYI")
- Expenditure Component Sweep ("ECS")
- Interest on ECS & EYI Sweep
- Upside Share belonging to the InvIT

## 8. Valuation Conclusion

- 8.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.
- 8.2. I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact has been factored in to arrive at EV of the SPV.
- 8.3. Based on the above analysis, the EV as on the Valuation Date of the SPV is as mentioned below:

SPV	Explicit Projection period		Enterprise Value (INR Mn)
	End Date	Balance Period	
PIL	22nd March 2039	~15 years	1,25,354
<b>Total of the SPV</b>			<b>1,25,354</b>

*(Refer Appendix 1 for detailed computations)*

- 8.4. EV is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.
- 8.5. The fair EV of the SPV is estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 8.6. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 8.7. Accordingly, I have conducted sensitivity analysis on volume assumptions, the results of which are indicated below:

Volume Sensitivity	Enterprise Value
Volume - 5%	1,22,875
Volume - 3%	1,23,812
Volume - 1%	1,24,807
<b>Base Volume</b>	<b>1,25,354</b>
Volume + 1%	1,26,023
Volume + 3%	1,27,361
Volume + 5%	1,28,699

## 9. Additional Procedures to be complied with in accordance with InvIT regulations

### Scope of Work

- 9.1. The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report. In this reference, the minimum disclosures in valuation report may include following information as well, so as to provide the investors with the adequate information about the valuation and other aspects of the underlying assets of the InvIT.

The additional set of disclosures, as prescribed under Schedule V of InvIT Regulations, to be made in the valuation report of the SPV are as follows:

- Purchase price of the project by the InvIT
- Valuation of InvIT Asset in the past
- List of one-time sanctions/approvals which are obtained or pending;
- List of up to date/overdue periodic clearances;
- Statement of assets included;
- Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;
- Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;
- On-going material litigations including tax disputes in relation to the assets, if any;
- Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

### Limitations

- 9.2. This Report is based on the information provided by the representatives of the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to me. I have not verified the information independently with any other external source.
- 9.3. I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original, and the conformity of the copies or extracts submitted to me with that of the original documents.
- 9.4. I have assumed that the documents submitted to me by the representatives of Investment Manager in connection with any particular issue are the only documents related to such issue.
- 9.5. I have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and I do not express any opinion as to the legal or technical implications of the same.

### Analysis of Additional Set of Disclosures for the SPV

- A. Purchase price of the Project by the InvIT:

The Trust had acquired 100% of equity share capital of PIL for an amount of INR 500 Mn on 22nd March 2019. Further, PIL has issued NCDs of INR 12,950 Crore as on 22nd March, 2019 to the Trust.

- B. Valuation of InvIT Asset in the past:

Sr. No.	Name of the SPV	Valuation Date	Enterprise Value of InvIT Assets
		31-Mar-21	1,38,560
1	Pipeline Infrastructure Limited	31-Mar-22	1,32,419
		31-Mar-23	1,24,530

- C. List of one-time sanctions/approvals which are obtained or pending:

The list of such sanctions/ approvals obtained by the SPV or pending till 31st March 2024 is provided in Appendix 3.

- D. List of up to date/ overdue periodic clearances:

The Investment Manager has confirmed that the SPV are not required to take any periodic clearances and hence there are no up to date/ overdue periodic clearances as on 31st March 2024.

E. Statement of assets included:

The details of assets of the SPV as at 31st March 2024 are as mentioned below:

Sr.No.	SPV	Net Fixed Assets	Net Intangible Assets	Other Non-Current Assets	Current Assets
1	PIL	1,09,229	14,225	1,685	16,395

F. Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion:

As per discussions with the Management, we understand that no major repairs have been done in the past to the Pipeline. Following is the estimate of already carried as well as proposed major repairs of the SPV:

**Historical major repairs**

INR Mn

SPV	FY 20	FY 21	FY 22	FY 23	FY 24
PIL	367	412	669	683	1,420

Source: Investment Manager

**Forecasted major repairs**

INR Mn

SPV	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	FY 32	FY 33
PIL	785	822	818	733	751	839	1,338	1,322	1,267

SPV	FY 34	FY 35	FY 36	FY 37	FY 38	FY 39
PIL	1,225	1,254	1,344	1,452	1,257	1,315

Source: Investment Manager

G. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any:

PIL owns land bearing survey no. 19/6B at Ambeshiv Budruk, (Vaholi), Maharashtra. Reliance Gas Pipelines Ltd ("RGPL") in understanding with PIL had installed MLV-25 for its Dahej – Nagothane Ethane Pipeline ("DNEPL") project. Tehsildar, the Revenue Dept. demanded payment of 75% of the land cost for not obtaining the prior permission of the collector before purchasing the agricultural land by RGTIL. The Tehsildar without considering the merits passed an order dated July 22, 2019 ("Tehsildar's Order") converting the said land into Government land. Against this action PIL and RGPL together; filed an appeal with the Maharashtra Revenue Tribunal (MRT) challenging the Tehsildar's Order and the action taken thereby contending that land was used for bonafide industrial purpose which is valid under Maharashtra Tenancy and Agricultural Lands Act. The matter was heard in January 2020 and MRT granted interim relief to PIL & RGPL till the next date of hearing. The interim relief granted continues in favour of PIL and RGPL. The appeal is pending for further hearing.

Investment Manager has informed me that there are no other material dues including local authority taxes (such as Municipal Tax, Property Tax, etc.) pending to be payable to the government authorities with respect to the SPV (InvIT assets).

H. On-going material litigations including tax disputes in relation to the assets, if any:

As informed by the Investment Manager, the status of ongoing litigations are updated in Appendix 4. The Investment Manager has informed us that it expects majority of the cases to be settled in favour of SPV. Further, Investment Manager has informed us that majority of the cases are having low risk and accordingly no material outflow is expected against the litigations. As represented by the Investment Manager, the RIL would indemnify the Trust and its SPV against any financial losses suffered or incurred in connection with any pending or threatened claims against the Trust or SPV made prior to the transfer of the assets to the Trust.

I. Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control:

Investment Manager has confirmed to me that there are no such natural or induced hazards which have not been considered in town planning/ building control.

## 10. Sources of Information

For the purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:

- 10.1. Audited financial statements of the SPV for period ending March 2019, March 2020, March 2021, March 2022, March 2023
- 10.2. Provisional financial statements of the SPV as on 31st March 2024;
- 10.3. Projected financial information for the remaining project of the SPV;
- 10.4. Tariff Order by PNGRB dated 12th March 2019;
- 10.5. Details of brought forward losses and MAT credit (as per Income Tax Act) of the SPV as at 31st March 2024;
- 10.6. Details of Written Down Value (WDV) (as per Income Tax Act) of assets as at 31<sup>st</sup> March 2024;
- 10.7. Details of Actual/ Estimated Volumes transported by PIL from April 2020 till March 2039.
- 10.8. Framework Agreement amongst RIHPL and the sponsor and the investment manager and PIL dated August 28, 2018;
- 10.9. Scheme of Arrangement between EWPPL and PIL and their respective shareholders and creditors for transfer of Pipeline Business from EWPPL to PIL.
- 10.10. Joint Venture Agreement dated February 11, 2019, entered into between the Project Manager, RIL and the Contractor and First Amendment Agreement dated April 22, 2019 to the Joint Venture Agreement.
- 10.11. PIL SHA dated February 11, 2019 amongst PIL, EWPPL, Investment manager and RIL and first Amendment Agreement dated March 9, 2019 to the PIL SHA and second Amendment Agreement dated April 22, 2019 to the Joint Venture Agreement.
- 10.12. SPA dated February 11, 2019 amongst RIHPL, Trust, IM and PIL and Amendment Agreement dated April 22, 2019 to SPA.
- 10.13. SSA dated February 11, 2019 amongst PIL, RIIHL and Trust.
- 10.14. Deed of adherence dated April 13, 2018 amongst RIIHL and RSBVL.
- 10.15. O&M Agreement dated February 11, 2019 amongst PIL, Contractor and Project Manager.
- 10.16. O&M Sub-Contract Agreement dated February 11, 2019 amongst PIL, Contractor and Sub-Contractor.
- 10.17. PUA executed between PIL and RIL on March 19, 2019, Amendment Agreement dated April 22, 2019, to the PUA and Clarifactory note to PUA dated December 24, 2019.
- 10.18. Shared Service Agreement dated February 11, 2019 amongst PIL, RIL and the Contractor and the First Amendment Agreement dated April 22, 2019 to the Shared Service Agreement.
- 10.19. Debenture Trust Deed dated April 16, 2019 between PIL and IDBI Trusteeship Services Limited;
- 10.20. Projected business plan of PIL covering total revenue, volumes, tariff, revenue expenditure, capital expenditure and working capital requirement for operations of PIL from April 1, 2024 to March 22, 2039;
- 10.21. Estimated EYI, ECS and their interest for the period starting from April 1, 2024 to March 22, 2039.
- 10.22. Technical Report titled "KG Basin Gas Supply Assessment" dated November 28, 2023 issued by Wood Mackenzie.
- 10.23. PNGRB report by industry group titled "Vision 2030 – Natural Gas Infrastructure in India Report", available at <https://www.pngrb.gov.in/Hindi-Website/pdf/vision-NGPV-2030-06092013.pdf> (PNGRB Report)
- 10.24. List of licenses / approvals, details of tax litigations, civil proceeding and arbitrations of the SPV;
- 10.25. Details of projected Repairs and Capital Expenditure (Capex);
- 10.26. Management Representation Letter by the Investment Manager dated 16<sup>th</sup> May 2024:

- 10.27. Relevant data and information about the SPV provided to us by the Investment Manager either in written or oral form or in the form of soft copy;
- 10.28. Information provided by leading database sources, market research reports and other published data.

The information provided to me by the Investment Manager in relation to the SPV included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.

By nature, valuation is based on estimates, however, considering the outbreak of COVID-19 Pandemic and the consequent economic slowdown, the risks and uncertainties relating to the events occurring in the future, the actual figures in future may differ from these estimates and may have a significant impact on the valuation of the SPV.

I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis.

Notwithstanding anything above, I cannot provide any assurance that the forward looking financial information will be representative of the results which will actually be achieved during the cash flow



## 11. Exclusions and Limitations

- 11.1. My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 11.2. Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than the valuation date of 31st March 2024 ("Valuation Date") mentioned in the Report and as per agreed terms of my engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- 11.3. This Report, its contents and the results are specific to (i) the purpose of valuation agreed as per the terms of my engagements; (ii) the Valuation Date and (iii) are based on the financial information of the SPV till 31st March 2024. The Investment Manager has represented that the business activities of the SPV have been carried out in normal and ordinary course between 31st March 2024 and the Report Date and that no material changes have occurred in the operations and financial position between 31<sup>st</sup> March 2024 and the Report date.
- 11.4. The scope of my assignment did not involve me performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of my work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPV or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPV in their regulatory filings or in submissions, oral or written, made to me.
- 11.5. In addition, I do not take any responsibility for any changes in the information used by me to arrive at my conclusion as set out herein which may occur subsequent to the date of my Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- 11.6. I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the SPV or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- 11.7. This Report is intended for the sole use in connection with the purpose as set out above. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the provision of SEBI InvIT Regulations. However, I will not accept any responsibility to any other party to whom this Report may be shown or who may acquire a copy of the Report, without my written consent.
- 11.8. It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- 11.9. Further, this Report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to me or used by me up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm this Report if information provided to me changes.
- 11.10. This Report is based on the information received from the sources as mentioned in Section 9 of this Report and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of my Report.
- 11.11. Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on this business.

- 11.12. Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.
- 11.13. Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.
- 11.14. I do not carry out any validation procedures or due diligence with respect to the information provided/extracted or carry out any verification of the assets or comment on the achievability and reasonableness of the assumptions underlying the financial forecasts, save for satisfying ourselves to the extent possible that they are consistent with other information provided to me in the course of this engagement.
- 11.15. My conclusion assumes that the assets and liabilities of the SPV, reflected in their respective latest balance sheets remain intact as of the Report date.
- 11.16. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my associates, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- 11.17. The scope of my work has been limited both in terms of the areas of the business & operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- 11.18. For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by me.
- 11.19. In the particular circumstances of this case, my liability (in contract or under any statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter for such valuation work.
- 11.20. In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- 11.21. This Report does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.
- 11.22. I am not an advisor with respect to legal, tax and regulatory matters for the proposed transaction. No investigation of the SPV's claim to title of assets has been made for the purpose of this Report and the SPV's claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 11.23. I have no present or planned future interest in the Trustee, Investment Manager or the SPV and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or SPV.
- 11.24. I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of the factual data used in my analysis and to prevent any error or inaccuracy in this Report.
- 11.25. Limitation of Liabilities**
- It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of RV personally.

- In no circumstances RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables (including this Report) is to be made by the Investment Manager and no communication

by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable(s).

- It is clarified that the Investment Manager will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by the Investment Manager.

#### **S. Sundararaman**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2018/10238

Place: Chennai

UDIN: 24028423BKGAHV1144

## Appendix 1 – Valuation of the SPV as on 31st March 2024 under DCF Method

Year	Cash flows pertaining to NCD															DF	PV FCFE
	Revenue	EBITDA	EBITDA Margin	Capex	Principal Repayment	Interest Outflow	Interest accrued and due to listed NCD	Distribution to InvIT for Upside	Total	Wcap	Tax	FCFE	CAF	COE			
	A			B					C	D	E	F = A - B - C - D - E	G	H	I = 1/(1+H)^G		
FY25	47,900	37,897	79%	202	3,775	10,492	276	-	14,543	4,480	-	18,672	0.50	17.83%	0.92	17,201	
FY26	51,092	40,941	80%	73	4,135	10,132	-	-	14,267	1,321	-	25,280	1.50	17.83%	0.78	19,764	
FY27	51,092	41,171	81%	42	4,529	9,737	-	3,136	17,403	1,201	-	22,525	2.50	17.83%	0.66	14,945	
FY28	52,037	42,505	82%	27	4,962	9,306	-	4,977	19,244	1,189	4,376	17,669	3.50	17.83%	0.56	9,949	
FY29	51,633	41,658	81%	33	5,434	8,832	-	3,637	17,904	837	7,043	15,841	4.50	17.83%	0.48	7,570	
FY30	49,177	40,170	82%	19	5,953	8,314	-	3,092	17,359	1,007	6,985	14,801	5.50	17.83%	0.41	6,002	
FY31	45,687	35,387	77%	31	6,520	7,379	-	1,718	15,617	(1,198)	6,173	14,764	6.50	17.83%	0.34	5,081	
FY32	40,494	30,025	74%	133	7,143	6,534	-	144	13,820	(1,582)	5,165	12,490	7.50	17.83%	0.29	3,648	
FY33	35,993	26,580	74%	31	7,823	5,718	-	(909)	12,632	(1,373)	4,615	10,674	8.50	17.83%	0.25	2,646	
FY34	32,701	23,719	73%	30	8,570	4,821	-	(1,790)	11,601	(1,585)	4,215	9,457	9.50	17.83%	0.21	1,989	
FY35	30,843	22,092	72%	30	9,386	3,837	-	(2,315)	10,907	(1,694)	4,134	8,714	10.50	17.83%	0.18	1,556	
FY36	29,650	19,782	67%	30	10,283	2,756	-	(3,033)	10,006	(2,114)	3,892	7,968	11.50	17.83%	0.15	1,207	
FY37	29,629	20,061	68%	30	11,262	1,644	-	(3,032)	9,874	(1,863)	4,301	7,720	12.50	17.83%	0.13	993	
FY38	30,464	21,388	70%	20	12,337	553	-	(2,771)	10,119	(1,908)	4,958	8,199	13.50	17.83%	0.11	895	
FY39	31,341	21,727	69%	21	13,149	(880)	-	(2,489)	9,780	(2,949)	5,446	9,430	14.49	17.83%	0.09	875	
Sum of Explicit period																	
NPV of Terminal Period																	
Add: Cash & Cash Equivalents as at 31st March 2024																	
Free Cash Flow to Equity																	
Less: Present value of net cash flow accruing to RIL																	
Equity Value of 100% equity stake in PIL																	
Fair Value of Listed NCD's as at 31st March 2024																	
Interest accrued and due to listed NCD as at 31st March 2024																	
FV of InvIT NCD's as at 31st March 2024																	
Less : Cash & Cash Equivalent as at 31st March 2024																	
Enterprise Value of Invit Assets as at 31st March 2024																	
94,321																	
46																	
11,618																	
1,05,986																	
(94,321)																	
11,665																	
64,520																	
276																	
60,512																	
(11,618)																	
1,25,354																	

## Appendix 2 – Cost of Equity of the SPV as on 31st March 2024

Particulars	Mar-24	Remarks
Risk free rate (Rf)	6.97%	Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2024 of Government Securities having maturity period of 10 years, as quoted on CCIL's website
Equity Risk Premium (ERP)	7.00%	Based on historical realized returns on equity investments over a risk free rate represented by 10 years government bonds, a 7% equity risk premium considered appropriate for India
Beta (Unlevered)	0.64	Beta has been considered based on the beta of companies operating in the similar kind of business in India
D / D + E	50%	Debt : Equity ratio computed as $[D/(D+E)]$ is considered as 50%
Tax rate of SPV	25.17%	Tax rate Applicable to SPV is considered
Beta (Relevered)	1.12	Relevered Beta
<b>Cost of Equity</b>	<b>14.83%</b>	<b>Adjusted Ke = Rf (ERP)*<math>\beta</math></b>
Company Specific Risk Premium	3.00%	Evaluated Based on operational & financial parameters
<b>Revised Cost of Equity</b>	<b>17.83%</b>	<b>Adjusted Ke = Rf (ERP)*<math>\beta</math> + CSRP</b>

## Appendix 3 – Business permission and approvals

Sr. No.	Description of the permits	Issuing Authority	Current Status
1	Final terms and conditions for acceptance of central government authorization to lay,	PNGRB	Active
2	Approval in respect of the expression of interest for allocation of capacity in a	Ministry of Petroleum and Natural Gas	Active
3	Right of use in the land for laying the pipeline under section 6 of the PMP Act	Ministry of Petroleum and Natural Gas	Active
4	In-principle approval for renunciation of the authorization granted to EWPPL for the	PNGRB	Active
5	Certificate of registration under SEBI InvIT Regulations, for registration of the Trust as an infrastructure investment trust.	SEBI	Active
6	Approval for the scheme of arrangement ("Scheme") between EWPPL and PIL, for	NCLT, Ahmedabad & Mumbai	Active
7	Approval in relation to the acquisition of the entire equity shareholding of PIL by the Trust dated September 11, 2018	Competition Commission of India	Active

## Appendix 3 – PIL : Summary of approval and licences

Sr. No.	Type of Approval	Acts or Rules under which requirement specified	Facility for which permit obtained
1	Environmental Clearance	EIA Rules, 2006	Kakinada Hyderabad Pipeline
2	Forest Clearances	The Forest Conservation Act, 1980 & The Indian Forest Act, 1928	East West Pipeline Private Limited
3	CRZ Clearance	CRZ Notification	East West Pipeline Private Limited
4	Public Liability Insurance Policy	Public Liability Insurance Act, 1991	East West Pipeline Private Limited
5	Consent to Establish	Water Act, 1974 & Air Act, 1981	CS-01 TO CS-10
6	Consent to Operate & Hazardous Waste Authorization	Water Act, 1974, Air Act 1981, Hazardous Waste (M&TM)	CS01 - CS02
			CS03 to CS04 CS05
			CS06 to CS08 CS09
			CS10
			M&R47
			CS10
			M&R47 Kunchanapalli
7	Factory Licenses	Factories Act, 1948	CS01 factory under RIL premises
			CS02
			CS03
			CS04
			CS05
			CS06
			CS07
			CS08
			CS09
			CS10
8	NOC for withdrawal of ground water	CGWA Rules	CS02
			CS03
			CS04
			CS05
			CS06
			CS07
			CS08
			CS09
			CS010
9	CCoE Approval for laying pipeline	Petroleum and Explosives	Approval for Laying Kakinada- Approval for laying of 7 KM 30" Dia NG Pipeline from Kanjanhari to GSPL sectionalizing valve at Atakpardi village CS 09



Sr. No.	Type of Approval	Acts or Rules under which requirement specified	Facility for which permit obtained
10	CCoE Permission for commissioning pipeline	Petroleum and Explosives Safety Organization (PESO)	Kakinada-Hyderabad Ahmedabad pipeline 158 KM stretch (EWPL) CS06 - CS07
			Kakinada-Hyderabad Ahmedabad Stretch 761 KM (EWPL) CS01 - CS06
			East Godavari Spur Line (URSPL)
			Uran Spur Line (URSPL)
			Kakinada-Hyderabad Ahmedabad pipeline 166 KM stretch (EWPL) CS08 – CS09
			Kakinada-Hyderabad Ahmedabad pipeline 130 KM stretch (EWPL) CS09 – CS10
			Kakinada-Hyderabad Ahmedabad pipeline 156 KM stretch (EWPL) CS07 – CS08
			7 KM 30" Dia NG Pipeline from Kanjanhari to GSPL sectionalizing valve at Atakpardi village (SGUSPL) CS09
			NTPC Kawas spur line (KWSPL) CS10
			28" NG spur line from M&R 22 at Dhamka to HLPL (SHELL connectivity) (KWSPL) CS10
			16" NG spur line from Tap Off point at Chevuturu village (Krishna Dist. AP) to M&R Lanco Kondapalli (LKSP)
11	Fire NOCs	A P state Disaster Response and Fire Services Department	CS01
		A P state Disaster Response and Fire Services Department	CS02
		Telangana state Disaster Response and Fire Services	CS03
		Telangana state Disaster Response and Fire Services Department	CS04
		Karnataka State Fire and Emergency Services	CS05
		Directorate Maharashtra Fire Services	CS06, CS07 & CS08
		Gujarat Fire Services	CS09
		Gujarat Fire Services	CS10
12	Building plan approvals	DISH (Directorate of Industrial Safety and Health)	CS02 - CS10
13	Structure Stability Certificate	Factories Act, 1948	CS01
			CS02
			CS03

Sr. No.	Type of Approval	Acts or Rules under which requirement specified	Facility for which permit obtained
			CS04
			CS05
			CS06
			CS07
			CS08
			CS09
			CS010
14	Consent to Engage Contract Labour	Contract Labour regulation and Abolition Act 1970	CS01 to CS10
15	Wireless Station License by GOVERNMENT OF INDIA, Ministry of Communications and Information Technology	Under The Indian Telegraph Act 1885	CS01 to CS10
16	East West Pipeline Private Limited	the Electricity Act 2003 read with the Indian Electricity Rules, 1956	East West Pipeline Private Limited
17	Pipeline Authorization	PNGRB Act, 2006	East West Pipeline Private Limited
18	Biomedical Waste Authorization	PCB	CS10
			CS04
			CS05
			CS07
			CS09
			CS08
			CS06
			CS03
			CS02

## Appendix 4: Summary of Ongoing Litigations

Company	Court	Classification	Case No.	Financial Claim (INR Mn)	Brief Summary of the facts of the matter	Current Status of the matter
PIL	Supreme Court	Regulatory	Civil Appeal 377 & 378 of 2022 Diary No. 28130 of 2021	0.00	<p>PNGRB appealed before Supreme Court against APTEL's order of 15.11.2019 &amp; 16.07.2021.</p> <p>Supreme Court passed interim order dtd 12.01.2022 staying the General Directions passed by APTEL vide order dtd 16.07.2021 against the functionality, reporting etc. of PNGRB. PIL filed reply to PNGRB's appln on addn Question of Law.</p> <p>PIL also filed IA seeking directions against PNGRB not to decide tariff of PIL pipeline without considering the capacity for the previous years as per APTEL order dt 16.07.2021.</p>	All the Civil Appeals will be listed before Supreme Court in normal course.
PIL	Supreme Court	ROU	Diary No. 15349 of 2023 SLP(C) 8363 of 2023	0.00	<p>Challenged the Order 27.03.2023 of Bombay HC Claiming compensation under New LARR Act for RoU Acquisition</p>	For filing the Counter of PIL
PIL	High Court	ROU	Civil WP No 9560 of 2019 (stamp) WP 1815 of 2023 (Reg) Two IAs filed bearing IA/1302/2023 & IA/1303/2023	2.56	<p>WP filed by owner of land claiming payment of Award amount declared by CA, which were paid to cultivators of land and no payment were made to the Petitioner being the landowner.</p>	Reply filed by CA. las filed by legal heirs of petitioner.

Company	Court	Classification	Case No.	Financial Claim (INR Mn)	Brief Summary of the facts of the matter	Current Status of the matter
PIL	High Court	ROU	WP No. 12938 of 2022	3.07	WP filed demanding the compensation for acquiring the RoU in the land allegedly owned by the Petitioners.	For Admission
PIL	District Court	ROU	Punarvilokan / SR/26/2021	0.00	The Tehesildar of Shirur has called CA of RGTEL to make submissions w.r.t to Applicants application for striking RGTEL's name from "other rights" column in 7/12 extract.	Reply of CA filed.
PIL	District Court	ROU	RCS No. 64 of 2023	0.00	Plaintiff filed declaratory suit against members of family claiming right to property. Plaintiff prays for non disposal and non creation of third party rights of suit property including SN 41/1B in which ROU is acquired	PIL filed Vakalat
PIL	District Court	ROU	OP 3/2021	0.00	Encroachment Issue at ROU area in Sy. No. 660, CS-4 Issued Urgent Notice against Respondents. Amendment Petition filed. R2 Filed counter. R1 will file Vaklatnama. Neat copy filed. The said Amendment petitions were dismissed under objection and filed fresh IAs to Implead the Respondent Company. Call with IAS.	Counters filed by Respondents For evidence
PIL	District Court	ROU	CMA 16 of 2020	0.12	Enhancement of Compensation	Notice to opponents. RGTEL not a party

Company	Court	Classification	Case No.	Financial Claim (INR Mn)	Brief Summary of the facts of the matter	Current Status of the matter
PIL	District Court	ROU	Civil Misc Application (DC) 32 of 2021	21.74	To determine fair compensation for laying pipeline. (this is actually matter pertaining to DNEPL and PIL will not be the right party	Process to Opponent
PIL	District Court	ROU	Civil Misc Application (DC) 33 of 2021	79.96	To determine fair compensation for laying pipeline. (this is actually matter pertaining to DNEPL and PIL will not be the right party	Process to Opponent
PIL	District Court	ROU	Civil Misc Application (DC) 34 of 2021	214.37	To determine fair compensation for laying pipeline. (this is actually matter pertaining to DNEPL and PIL will not be the right party	Process to Opponent
PIL	District Court	ROU	Civil Misc Application (DC) 35 of 2021	67.76	To determine fair compensation for laying pipeline. (this is actually matter pertaining to DNEPL and PIL will not be the right party	Process to Opponent
PIL	District Court	ROU	Civil Misc Application (DC) 31 of 2019	0.00	> RoU acquired in Block No. 113, Sy. No. 107, adm. 2302 sqm. in Goja Village, Surat vide Award dated 02.11.2010 > The Applicant filed the suit seeking direction to ascertain the location of pipeline and the exact RoU in the land.	Hearing

Company	Court	Classification	Case No.	Financial Claim (INR Mn)	Brief Summary of the facts of the matter	Current Status of the matter
PIL	High Court	ROU	WP 13948 of 2023	1.92	WP filed by Petitioner aggrieved by the Decree passed by Dist Judge, Latur in Civil Misc Appln 161/2011. Decree passed for Rs. 2,39,731/- + int @ 6% p.a. from date of application 23.08.2011, whereas his claim is for Rs. 19 lakhs. Note: PIL satisfied the decree by depositing the decretal amount.	
PIL	High Court	ROU	WP 13930 of 2023	1.42	WP filed by Petitioner aggrieved by the Decree passed by Dist Judge, Latur in Civil Misc Appln 160/2011. Decree passed for Rs. 1,39,218/- + int @ 6% p.a. from date of application 23.08.2011, whereas his claim is for Rs. 14 lakhs. Note: PIL satisfied the decree by depositing the decretal amount.	
PIL	District Court	ROU	Misc.No. 10/2023,	15.00	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 11/2023,	4.00	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases

Company	Court	Classification	Case No.	Financial Claim (INR Mn)	Brief Summary of the facts of the matter	Current Status of the matter
PIL	District Court	ROU	Misc.No. 28/2022,	1.20	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 29/2022,	5.00	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 30/2022,	1.40	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 31/2022,	4.80	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 32/2022,	10.00	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 33/2022,	1.50	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 34/2022,	1.20	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 1/2023,	8.00	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 2/2023,	1.50	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases



Company	Court	Classification	Case No.	Financial Claim (INR Mn)	Brief Summary of the facts of the matter	Current Status of the matter
PIL	District Court	ROU	Misc.No. 3/2023,	0.30	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 4/2023,	2.80	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 5/2023,	1.40	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 6/2023,	0.50	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 7/2023,	2.40	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 8/2023,	2.60	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 9/2023,	5.00	Application filed under Section 10 of PMP Act for enhancement of compensation	For moving an application for Joint Trail of all the new cases
PIL	District Court	ROU	Misc.No. 27/2022,	0.20	Application filed under Section 10 of PMP Act for enhancement of compensation	Application for Joint Trail in one court filed. - For counter of Claimant

## Annexure B

### Secretarial Compliance Report of India Infrastructure Trust For the year ended March 31, 2024

To,

**India Infrastructure Trust**

*(Acting through its Investment Manager –*

*Brookfield India Infrastructure Manager Private Limited)*

Seawoods Grand Central, Tower-1, 3<sup>rd</sup> Level,

C Wing - 301 to 304, Sector 40, Seawoods Railway Station,

Thane – 400706, Maharashtra.

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **India Infrastructure Trust** (hereinafter referred as 'the InvIT'), acting through its Investment Manager – Brookfield India Infrastructure Manager Private Limited (hereinafter referred as 'the Investment Manager') having its registered office at Seawoods Grand Central, Tower-1, 3<sup>rd</sup> Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Thane – 400706, Maharashtra. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Investment Manager books, papers, minutes books and other records maintained by the Investment Manager and also the information provided by the Investment Manager, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the InvIT has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We, MMJB & Associates LLP, Practicing Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by the Investment Manager,
- (b) the filings/submissions made by the Investment Manager to the Stock Exchanges,
- (c) website of the InvIT,
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the period covering from April 01, 2023 to March 31, 2024 ('Review Period') in respect of compliance with the provisions of:
  - i. the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and
  - ii. the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014;
- (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(To the extent applicable to the InvIT);**
- (c) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the InvIT for the Review period)**
- (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

and circulars/guidelines or issued thereunder;

Based on above examination, we hereby report that, during the review period:

- (a) The Investment Manager of the InvIT has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder; except as mentioned below:-

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
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Nil

- (b) The investment manager of the InvIT has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the InvIT, parties to the InvIT\*, its promoters, directors either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
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Nil

\*This does not include actions taken, if any, by SEBI or Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder against the parties to the InvIT (including the administrative warnings issued by SEBI to the Trustee in relation to other entities), its promoters and directors not pertaining to the InvIT.

- (d) The investment manager of the InvIT has taken following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the Investment Manager, if any	Comments of the Practicing Company Secretary on the actions taken by the InvIT
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Nil

**We further report that,** the Investment Manager on behalf of InvIT has requested for an extension through a letter dated March 23, 2023 for extending the effective date for complying with the requirements under Regulation 18, 19, 20, 21, 26 and certain sub regulations of Regulation 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and additional requirements as prescribed in the Chapter VIB of the InvIT Regulations. Further, Securities and Exchange Board of India vide its email dated April 06, 2023 had allowed additional time of two months to comply with governance norms. Accordingly, the governance norms were applicable from June 01, 2023.

For **MMJB & Associates LLP**  
Company Secretaries

**Deepti Kulkarni**  
Designated Partner  
ACS: A34733  
CP: 22502  
PR 2826/2022  
UDIN: A034733F000437036

Date: May 24, 2024  
Place: Mumbai

**Quarterly Compliance Report on Corporate Governance***(Pursuant to Regulation 26K of the Securities and Exchange Board of India (Infrastructure Investments Trusts) Regulations, 2014)*

- 1 **Name of InvIT** : India Infrastructure Trust ("Trust")
- 2 **Name of the Investment Manager** : Brookfield India Infrastructure Manager Private Limited ("Company")
- 3 **Quarter ending** : 30/06/2023
- I. Composition of Board of Directors of the Investment Manager**

Title (Mr./ Ms.)	Name of the Director	PAN <sup>(1)</sup> & DIN	Category (Chairperson/ Non-independent/ Independent/ Nominee)	Initial Date of Appointment	Date of Re-appointment	Date of Cessation	Tenure <sup>(2)</sup> (In months)	No. of directorships in all Managers / Investment Managers of REIT/ InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of Independent directorships in all Managers / Investment Managers of REIT/ InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of memberships in Audit/ Stakeholder Committees in all Managers/Investment Managers of REIT/ InvIT and listed entities, including this Investment Manager <sup>(4)(5)</sup> (Refer Regulation 26G of the SEBI InvIT Regulations)	No. of posts of Chairperson in Audit/ Stakeholder Committees in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(4)</sup> (Refer Regulation 26G of the SEBI InvIT Regulations)
Mr.	Sridhar Rengan	03139082	Chairperson- Non-Independent	21/11/2019	-	-	-	1	-	1	-
Mr.	Narendra Aneja <sup>(6)</sup>	00124302	Independent	01/04/2020	01/04/2020	31/05/2023	38	2	2	1	-
Mr.	Chetan Rameshchandra Desai <sup>(6)</sup>	03595319	Independent	21/11/2019	21/11/2019	31/05/2023	42.11	4	4	8	5
Ms.	Swati Mandava <sup>(6)</sup>	07625343	Non-Independent	28/06/2022	-	25/05/2023	-	1	-	-	-
Mr.	Prateek Shroff	09338823	Non-Independent	26/05/2023	-	-	-	1	-	1	-
Ms.	Radhika Vijay Haribhakti	02409519	Independent	01/06/2023	01/06/2023	-	1	7	7	9	1
Mr.	Arun Balakrishnan	00130241	Independent	01/06/2023	01/06/2023	-	1	2	2	4	1
Mr.	Jagdish Ganapathi Kini	00518726	Independent	01/06/2023	01/06/2023	-	1	1	1	2	1
Ms.	Rinki Ganguli	10172545	Non-Independent	01/06/2023	-	-	-	1	-	-	-

**Whether regular Chairperson appointed**

: Yes

**Whether Chairperson is related to Managing Director or CEO**

: No

**Notes:**

(1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, PAN of any director would not be displayed on the stock exchange website. Hence, details w.r.t. PAN of the Directors have not been included in this Report.

(2) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, Tenure is provided only of Independent Directors and reflects total period from which Independent Director is serving on Board of the Investment Manager in continuity without any cooling off period, upto June 30, 2023 or date of cessation, whichever is earlier.

(3) No. of Directorships/Independent Directorships in Managers/Investment Managers of REIT/InvIT and equity listed entities, including this Investment Manager, has been considered for the purpose of disclosure.

(4) Pursuant to Regulation 26G of the SEBI InvIT Regulations, read with provisions of Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, while calculating the committee positions of the Directors, number of membership/chairpersonship in Audit/Stakeholders' Relationship Committee(s) in all Managers/Investment Managers of REIT/InvIT (including this Investment Manager), listed and unlisted public companies (excluding public companies which are high value debt listed entities), has been considered.

(5) Number of memberships in Audit and Stakeholders' Relationship Committee includes chairpersonship, wherever applicable.

(6) Details of Mr. Chetan Desai, Mr. Narendra Aneja and Ms. Swati Mandava are mentioned upto their respective date of cessation.

**II. Composition of Committees**

Name of Committee	Whether regular Chairperson appointed	Name of Committee members	Category (Chairperson/ Non-Independent/ Independent/ Nominee)	Date of Appointment	Date of Cessation
Audit Committee	Yes	Ms. Radhika Vijay Haribhakti	Chairperson - Independent	01/06/2023	-
		Mr. Sridhar Rengan	Non - Independent	01/06/2023	-
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Mr. Jagdish Ganapathi Kini	Independent	01/06/2023	-
Nomination and Remuneration Committee	Yes	Mr. Arun Balakrishnan	Chairperson - Independent	01/06/2023	-
		Mr. Jagdish Ganapathi Kini	Independent	01/06/2023	-
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	-
		Mr. Jagdish Ganapathi Kini	Chairperson - Independent	01/06/2023	-
Risk Management Committee	Yes	Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	-
		Mr. Sridhar Rengan	Non - Independent	01/06/2023	-
		Mr. Jagdish Ganapathi Kini	Chairperson - Independent	01/06/2023	-
Stakeholders' Relationship Committee	Yes	Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	-
		Mr. Prateek Shroff	Non - Independent	01/06/2023	-

**III. Meeting of Board of Directors**

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Maximum gap between any two consecutive meetings (in number of days)
22/02/2023	-	-	-	-	-
-	19/05/2023	Yes	3	2	85
-	26/05/2023	Yes	4	2	6

Note:

(1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, this information is filled in only for the current quarter meetings.

**IV. Meetings of Committees****A. Audit Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	-	-

Note:

(1) Considering that the Committee was constituted during the quarter i.e. w.e.f. June 1, 2023, no meeting was held during the quarter.

**B. Nomination and Remuneration Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	-	-

Note:

(1) Considering that the Committee was constituted during the quarter i.e. w.e.f. June 1, 2023, no meeting was held during the quarter.

**C. Risk Management Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	-	-

Note:

(1) Considering that the Committee was constituted during the quarter i.e. w.e.f. June 1, 2023, no meeting was held during the quarter.

**D. Stakeholders' Relationship Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	-	-

Note:

(1) Considering that the Committee was constituted during the quarter i.e. w.e.f. June 1, 2023, no meeting was held during the quarter.

**VI. Affirmations**

Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is "No", reasons for non-compliance to be explained]
1	The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
2	The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. (a) Audit Committee (b) Nomination and Remuneration Committee (c) Risk Management Committee (d) Stakeholders' Relationship Committee	Yes Yes Yes Yes
3	The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
4	The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes. Board Meetings were conducted in the manner as specified in SEBI InvIT Regulations. Further, since the Committees have been constituted during the quarter i.e. w.e.f. June 1, 2023, no Committee meetings were held during the quarter.



Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is "No", reasons for non-compliance to be explained]
5	<p>(a) This report has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.</p> <p>(b) The report submitted in the previous quarter has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.</p>	<p>No. This Report for the quarter ended June 30, 2023 shall be placed before the Board at the ensuing meeting. Further, any comments/ observations/ advice of the Board on this Report shall be mentioned in the Report for the quarter ended September 30, 2023.</p> <p>Not Applicable. Pursuant to the extension granted by SEBI to the Company, acting in its capacity as the Investment Manager, the compliances relating to corporate governance provisions have been made applicable to the Trust w.e.f. June 1, 2023. Accordingly, this is the first Report of the Trust.</p>

**For India Infrastructure Trust**  
**Brookfield India Infrastructure Manager Private Limited**  
*(Acting in its capacity as the Investment Manager of India Infrastructure Trust)*

**Puja Tandon**  
**Compliance Officer**

**Quarterly Compliance Report on Corporate Governance***(Pursuant to Regulation 26K of the Securities and Exchange Board of India (Infrastructure Investments Trusts) Regulations, 2014)*

- 1 **Name of InvIT** : India Infrastructure Trust ("Trust")
- 2 **Name of the Investment Manager** : Brookfield India Infrastructure Manager Private Limited ("Company")
- 3 **Quarter ending** : 30/09/2023

**I. Composition of Board of Directors of the Investment Manager**

Title (Mr./ Ms.)	Name of the Director	PAN <sup>(1)</sup> & DIN	Category (Chairperson/ Non- independent/ Independent/ Nominee)	Initial Date of Appointment	Date of Re- appointment	Date of Cessation	Tenure <sup>(2)</sup> (In months)	No. of directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of Independent directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of memberships in Audit/ Stakeholder Committee(s) in all Managers/ Investment Managers of REIT/ InvIT and listed entities, including this Investment Manager <sup>(4)(5)</sup> (Refer Regulation 26G of the SEBI InvIT Regulations)	No. of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT/ InvIT and listed entities, including this Investment Manager <sup>(4)</sup> (Refer Regulation 26G of the SEBI InvIT Regulations)
Mr.	Sridhar Rengan	03139082	Chairperson- Non- Independent	21/11/2019	-	-	-	1	-	1	-
Mr.	Prateek Shroff	09338823	Non- Independent	26/05/2023	-	-	-	1	-	1	-
Ms.	Radhika Vijay Haribhakti	02409519	Independent	01/06/2023	01/06/2023	-	4	8	8	9	1
Mr.	Arun Balakrishnan	00130241	Independent	01/06/2023	01/06/2023	-	4	2	2	5	2
Mr.	Jagdish Ganapathi Kini	00518726	Independent	01/06/2023	01/06/2023	-	4	1	1	2	1
Ms.	Rinki Ganguli	10172545	Non- Independent	01/06/2023	-	-	-	1	-	-	-

**Whether regular Chairperson appointed**

: Yes

**Whether Chairperson is related to Managing Director or CEO**

: No

Notes:

(1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, PAN of any director would not be displayed on the stock exchange website. Hence, details w.r.t. PAN of the Directors have not been included in this Report.

(2) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, Tenure is provided only of Independent Directors and reflects total period from which Independent Director is serving on Board of the Investment Manager in continuity without any cooling off period, until September 30, 2023 or date of cessation, whichever is earlier.

(3) No. of Directorships/Independent Directorships in Managers/Investment Managers of REIT/InvIT and equity listed entities, including this Investment Manager, has been considered for the purpose of disclosure.

(4) Pursuant to Regulation 26G of the SEBI InvIT Regulations, read with provisions of Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, while calculating the committee positions of the Directors, number of membership/chairpersonship in Audit/ Stakeholders' Relationship Committee(s) in all Managers/Investment Managers of REIT/InvIT (including this Investment Manager), listed and unlisted public companies (excluding public companies which are high value debt listed entities) have been considered.

(5) Number of memberships in Audit and Stakeholders' Relationship Committee includes chairpersonship, wherever applicable.

**II. Composition of Committees**

Name of Committee	Whether regular Chairperson appointed	Name of Committee members	Category (Chairperson/ Non-Independent/ Nominee)	Date of Appointment	Date of Cessation
Audit Committee	Yes	Ms. Radhika Vijay Haribhakti	Chairperson - Independent	01/06/2023	-
		Mr. Sridhar Rengan	Non - Independent	01/06/2023	-
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Mr. Jagdish Ganapathi Kini	Independent	01/06/2023	-
		Mr. Arun Balakrishnan	Chairperson - Independent	01/06/2023	-
Nomination and Remuneration Committee	Yes	Mr. Jagdish Ganapathi Kini	Independent	01/06/2023	-
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	-
		Ms. Radhika Vijay Haribhakti	Chairperson - Independent	01/06/2023	-
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
Risk Management Committee	Yes	Ms. Radhika Vijay Haribhakti	Non - Independent	01/06/2023	-
		Mr. Jagdish Ganapathi Kini	Chairperson - Independent	01/06/2023	-
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	-
		Mr. Sridhar Rengan	Non - Independent	01/06/2023	-
Stakeholders' Relationship Committee	Yes	Mr. Jagdish Ganapathi Kini	Chairperson - Independent	01/06/2023	-
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	-
		Mr. Prateek Shroff	Non - Independent	01/06/2023	-

**III. Meeting of Board of Directors**

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Maximum gap between any two consecutive meetings (in number of days)
19/05/2023	-	-	-	-	-
26/05/2023	-	-	-	-	-
-	06/09/2023	Yes	5	3	102
-	29/09/2023	Yes	5	3	22

Note:

(1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, this information is filled in only for the current quarter meetings.

**IV. Meetings of Committees****A. Audit Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days <sup>(1)</sup>
06/09/2023	Yes	4	3	-	-

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**B. Nomination and Remuneration Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	-	-

Note:

(1) The Nomination and Remuneration Committee was constituted w.e.f. June 1, 2023. No meeting has been held since its constitution.

**C. Risk Management Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)(2)</sup>	Number of independent directors present <sup>(1)(3)</sup>	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days <sup>(1) (4)</sup>
06/09/2023	Yes	4	3	-	-

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**D. Stakeholders' Relationship Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	-	-

Note:

(1) The Stakeholders' Committee was constituted w.e.f. June 1, 2023. No meeting has been held since its constitution.

**VII. Affirmations**

Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is "No", reasons for non-compliance to be explained]
1	The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
2	The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. (a) Audit Committee (b) Nomination and Remuneration Committee (c) Risk Management Committee (d) Stakeholders' Relationship Committee	Yes Yes Yes Yes
3	The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
4	The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes

Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is "No", reasons for non-compliance to be explained]
5	(a) This report has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.	No. This Report for the quarter ended September 30, 2023 shall be placed before the Board at the ensuing meeting. Further, any comments/ observations/ advice of the Board on this Report shall be mentioned in the Report for the quarter ended December 31, 2023.
	(b) The report submitted in the previous quarter has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.	Yes. The Report for the quarter ended June 30, 2023 was placed before the Board at its meeting held on September 6, 2023 and the Board had no observation/ comment/advice on the said Report.

**For India Infrastructure Trust**  
**Brookfield India Infrastructure Manager Private Limited**  
*(Acting in its capacity as the Investment Manager of India Infrastructure Trust)*

**Puja Tandon**  
**Company Secretary & Compliance Officer**

**Quarterly Compliance Report on Corporate Governance**

(Pursuant to Regulation 26K of the Securities and Exchange Board of India (Infrastructure Investments Trusts) Regulations, 2014)

- 1 **Name of InvIT** : India Infrastructure Trust ("Trust")
- 2 **Name of the Investment Manager** : Brookfield India Infrastructure Manager Private Limited ("Company")
- 3 **Quarter ending** : 31/12/2023

**I. Composition of Board of Directors of the Investment Manager**

Title (Mr./ Ms.)	Name of the Director	PAN <sup>(1)</sup> & DIN	Category (Chairperson/ Non- independent/ Independent/ Nominee)	Initial Date of Appointment	Date of Re- appointment	Date of Cessation	Tenure <sup>(2)</sup> (In months)	No. of directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of Independent directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of memberships in Audit/ Stakeholder Committee(s) in all Managers/ Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(4)(5)</sup>	No. of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(4)</sup> (Refer Regulation 26G of the SEBI InvIT Regulations)
Mr.	Sridhar Rengan <sup>(6)</sup>	03139082	Chairperson- Non-Independent	21/11/2019	-	12/12/2023	-	1	-	1	-
Mr.	Prateek Shroff <sup>(7)</sup>	09338823	Chairperson- Non-Independent	26/05/2023	-	-	-	2	-	1	-
Ms.	Radhika Vijay Haribhakti <sup>(6)</sup>	02409519	Independent	01/06/2023	01/06/2023	12/12/2023	6.12	8	8	9	1
Mr.	Arun Balakrishnan	00130241	Independent	01/06/2023	01/06/2023	-	7	2	2	5	3
Mr.	Jagdish Ganapathi Kini <sup>(6)</sup>	00518726	Independent	01/06/2023	01/06/2023	12/12/2023	6.12	1	1	2	1
Ms.	Rinki Ganguli <sup>(6)</sup>	10172545	Non-Independent	01/06/2023	-	12/12/2023	-	1	-	-	-
Mr.	Akhil Mehrotra	07197901	Non-Independent	12/12/2023	-	-	-	1	-	2	-
Mr.	Varun Saxena	09797032	Non-Independent	12/12/2023	-	-	-	1	-	1	-
Mr.	Chaitanya Pande	06934810	Independent	12/12/2023	12/12/2023	-	0.20	1	1	2	-
Ms.	Kavita Venugopal	07551521	Independent	12/12/2023	12/12/2023	-	0.20	3	3	4	3



**Whether regular Chairperson appointed**

**Whether Chairperson is related to Managing Director or CEO** : Yes  
: No

**Notes:**

- (1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, PAN of any director would not be displayed on the stock exchange website. Hence, details w.r.t. PAN of the Directors have not been included in this Report.
- (2) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, Tenure is provided only of Independent Directors and reflects total period from which Independent Director is serving on Board of the Investment Manager in continuity without any cooling off period, until December 31, 2023 or date of cessation, whichever is earlier.
- (3) No. of Directorships/Independent Directorships in Managers/Investment Managers of REIT/InvIT and equity listed entities, including this Investment Manager, has been considered for the purpose of disclosure.
- (4) Pursuant to Regulation 26G of the SEBI InvIT Regulations, read with provisions of Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, while calculating the committee positions of the Directors, number of membership/chairpersonship in Audit/ Stakeholders' Relationship Committee(s) in all Managers/Investment Managers of REIT/InvIT (including this Investment Manager), listed and unlisted public companies (excluding public companies which are high value debt listed entities) have been considered.
- (5) Number of memberships in Audit and Stakeholders' Relationship Committee includes chairpersonship, wherever applicable.
- (6) Details of Mr. Sridhar Rengan, Ms. Radhika Vijay Haribhakti, Mr. Jagdish Ganapathi Kini and Ms. Rinki Ganguli are mentioned until the date of their resignation i.e. Close of board meeting held on December 12, 2023.
- (7) Consequent upon resignation of Mr. Sridhar Rengan as Director w.e.f. Close of board meeting held on December 12, 2023, the Board has appointed Mr. Prateek Shroff as the Designated Chairperson of the Board.

**II. Composition of Committees**

Name of Committee	Whether regular Chairperson appointed	Name of Committee members	Category (Chairperson/ Non-Independent/ Independent/ Nominee)	Date of Appointment	Date of Cessation
Audit Committee <sup>(1)</sup>	Yes	Ms. Kavita Venugopal	Chairperson - Independent	12/12/2023	-
		Ms. Radhika Vijay Haribhakti	Chairperson - Independent	01/06/2023	12/12/2023
		Mr. Sridhar Rengan	Non - Independent	01/06/2023	12/12/2023
		Mr. Jagdish Ganapathi Kini	Independent	01/06/2023	12/12/2023
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Mr. Akhil Mehrotra	Non - Independent	12/12/2023	-
		Mr. Chaitanya Pande	Independent	12/12/2023	-

Name of Committee	Whether regular Chairperson appointed	Name of Committee members	Category (Chairperson/ Non-Independent/ independent/ Nominee)	Date of Appointment	Date of Cessation
Nomination and Remuneration Committee <sup>(1)</sup>	Yes	Mr. Chaitanya Pande	Chairperson - Independent	12/12/2023	-
		Mr. Arun Balakrishnan <sup>(2)</sup>	Independent	01/06/2023	-
		Ms. Kavita Venugopal	Independent	12/12/2023	-
		Mr. Jagdish Ganapathi Kini	Independent	01/06/2023	12/12/2023
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	12/12/2023
Risk Management Committee <sup>(1)</sup>	Yes	Ms. Kavita Venugopal	Chairperson - Independent	12/12/2023	-
		Mr. Jagdish Ganapathi Kini	Chairperson - Independent	01/06/2023	12/12/2023
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	12/12/2023
		Mr. Sridhar Rengan	Non - Independent	01/06/2023	12/12/2023
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Mr. Akhil Mehrotra	Non - Independent	12/12/2023	-
		Mr. Chaitanya Pande	Independent	12/12/2023	-
		Mr. Varun Saxena	Non - Independent	12/12/2023	-
Stakeholders' Relationship Committee <sup>(1)</sup>	Yes	Mr. Arun Balakrishnan <sup>(2)</sup>	Chairperson - Independent	01/06/2023	-
		Mr. Jagdish Ganapathi Kini	Chairperson - Independent	01/06/2023	12/12/2023
		Ms. Radhika Vijay Haribhakti	Independent	01/06/2023	12/12/2023
		Mr. Prateek Shroff	Non - Independent	01/06/2023	12/12/2023
		Mr. Akhil Mehrotra	Non - Independent	12/12/2023	-
		Mr. Varun Saxena	Non - Independent	12/12/2023	-

## Notes:

(1) Consequent upon change in directors of the Company effective from December 12, 2023, the Board has re-constituted the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders' Relationship Committee w.e.f. December 12, 2023.

(2) Pursuant to the aforesaid reconstitution of Board Committees, Mr. Arun Balakrishnan has been re-designated from Chairperson to Member of Nomination and Remuneration Committee and from Member to Chairperson of Stakeholders' Relationship Committee.

**III. Meeting of Board of Directors**

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Maximum gap between any two consecutive meetings (in number of days) <sup>(1)</sup>
06/09/2023	-	-	-	-	-
29/09/2023	-	-	-	-	-
-	08/11/2023	Yes	5	3	39
-	12/12/2023	Yes	8	5	33

Note:

(1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, this information is filled in only for the current quarter meetings.

**IV. Meetings of Committees****A. Audit Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days <sup>(1)</sup>
-	-	-	-	06/09/2023	-
08/11/2023	Yes	4	3	-	62
12/12/2023	Yes	4	3	-	33

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**B. Nomination and Remuneration Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
12/12/2023	Yes	3	3	-	-

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**C. Risk Management Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days <sup>(1)</sup>
-	-	-	-	06/09/2023	-
08/11/2023	Yes	4	3	-	62
12/12/2023	Yes	4	3	-	33

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**D. Stakeholders' Relationship Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	-	-

Note:

(1) The Stakeholders' Relationship Committee was constituted w.e.f. June 1, 2023. No meeting has been held since its constitution.

**V. Affirmations**

Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is "No", reasons for non-compliance to be explained]
1	The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
2	The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. (a) Audit Committee (b) Nomination and Remuneration Committee (c) Risk Management Committee (d) Stakeholders' Relationship Committee	Yes Yes Yes Yes
3	The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
4	The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes

Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is "No", reasons for non-compliance to be explained]
5	(a) This report has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.	No. This Report for the quarter ended December 31, 2023 shall be placed before the Board at the ensuing meeting. Further, any comments/ observations/ advice of the Board on this Report shall be mentioned in the Report for the quarter ended March 31, 2024.
	(b) The report submitted in the previous quarter has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.	Yes. The Report for the quarter ended September 30, 2023 was placed before the Board at its meeting held on November 8, 2023 and the Board had no observation/ comment/ advice on the said Report.

**For India Infrastructure Trust**  
**Brookfield India Infrastructure Manager Private Limited**  
*(Acting in its capacity as the Investment Manager of India Infrastructure Trust)*

**Vikas Prakash**  
**Company Secretary & Compliance Officer**

**Quarterly Compliance Report on Corporate Governance**

(Pursuant to Regulation 26K of the Securities and Exchange Board of India (Infrastructure Investments Trusts) Regulations, 2014)

- 1 **Name of InvIT** : India Infrastructure Trust ("Trust")
- 2 **Name of the Investment Manager** : Brookfield India Infrastructure Manager Private Limited ("Company")
- 3 **Quarter ending** : 31/03/2024

**I. Composition of Board of Directors of the Investment Manager**

Title (Mr./ Ms.)	Name of the Director	PAN <sup>(1)</sup> & DIN	Category (Chairperson/ Non-Independent/ Independent/ Nominee)	Initial Date of Appointment	Date of Re-appointment	Date of Cessation	Tenure <sup>(2)</sup> (In months)	No. of directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of Independent directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <sup>(3)</sup>	No. of memberships in Audit/ Stakeholder Committee(s) in all Managers/ Managers of REIT/ InvIT and listed entities, including this Investment Manager <sup>(4)(5)</sup> (Refer Regulation 26G of the SEBI InvIT Regulations)	No. of posts of Chairperson in Audit / Stakeholder Committee(s) in all Managers / Investment Managers of REIT/ InvIT and listed entities, including this Investment Manager <sup>(4)</sup> (Refer Regulation 26G of the SEBI InvIT Regulations)
Mr.	Prateek Shroff <sup>(6)</sup>	09338823	Chairperson- Non-Independent	26/05/2023	-	-	-	2	-	1	-
Mr.	Arun Balakrishnan	00130241	Independent	01/06/2023	01/06/2023	-	10	2	2	5	3
Mr.	Akhil Mehrotra	07197901	Non-Independent	12/12/2023	-	-	-	1	-	2	-
Mr.	Varun Saxena	09797032	Non-Independent	12/12/2023	-	-	-	1	-	1	-
Mr.	Chaitanya Pande	06934810	Independent	12/12/2023	12/12/2023	-	3.20	1	1	2	-
Ms.	Kavita Venugopal	07551521	Independent	12/12/2023	12/12/2023	-	3.20	3	3	5	4

**Whether regular Chairperson appointed**

: Yes

**Whether Chairperson is related to Managing Director or CEO**

: No

**Notes:**

(1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, PAN of any director would not be displayed on the stock exchange website. Hence, details w.r.t. PAN of the Directors have not been included in this Report.

- (2) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, Tenure is provided only of Independent Directors and reflects total period from which Independent Director is serving on Board of the Investment Manager in continuity without any cooling off period, upto March 31, 2024 or date of cessation, whichever is earlier.
- (3) No. of Directorships/Independent Directorships in Managers/Investment Managers of REIT/InvIT and equity listed entities, including this Investment Manager, has been considered for the purpose of disclosure.
- (4) Pursuant to Regulation 26G of the SEBI InvIT Regulations, read with provisions of Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, while calculating the committee positions of the Directors, number of membership/chairpersonship in Audit/ Stakeholders' Relationship Committee(s) in all Managers/Investment Managers of REIT/InvIT (including this Investment Manager), listed and unlisted public companies (excluding public companies which are high value debt listed entities) have been considered.
- (5) Number of memberships in Audit and Stakeholders' Relationship Committee includes chairpersonship, wherever applicable.
- (6) Appointed as the Designated Chairperson of the Board w.e.f. Close of board meeting held on December 12, 2023.

## II. Composition of Committees

Name of Committee	Whether regular Chairperson appointed	Name of Committee members	Category (Chairperson/ Non-independent/ Nominee)	Date of Appointment	Date of Cessation
Audit Committee	Yes	Ms. Kavita Venugopal	Chairperson - Independent	12/12/2023	-
		Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Mr. Akhil Mehrotra	Non - Independent	12/12/2023	-
		Mr. Chaitanya Pande	Independent	12/12/2023	-
Nomination and Remuneration Committee	Yes	Mr. Chaitanya Pande	Chairperson - Independent	12/12/2023	-
		Mr. Arun Balakrishnan <sup>(1)</sup>	Independent	01/06/2023	-
		Ms. Kavita Venugopal	Independent	12/12/2023	-
		Ms. Kavita Venugopal	Chairperson - Independent	12/12/2023	-
Risk Management Committee	Yes	Mr. Arun Balakrishnan	Independent	01/06/2023	-
		Mr. Akhil Mehrotra	Non - Independent	12/12/2023	-
		Mr. Chaitanya Pande	Independent	12/12/2023	-
		Mr. Varun Saxena	Non - Independent	12/12/2023	-
Stakeholders' Relationship Committee	Yes	Mr. Arun Balakrishnan <sup>(1)</sup>	Chairperson - Independent	01/06/2023	-
		Mr. Akhil Mehrotra	Non - Independent	12/12/2023	-
		Mr. Varun Saxena	Non - Independent	12/12/2023	-

Notes:

- (1) Mr. Arun Balakrishnan has been re-designated from Chairperson to Member of Nomination and Remuneration Committee and from Member to Chairperson of Stakeholders' Relationship Committee w.e.f. December 12, 2023.



**III. Meeting of Board of Directors**

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Maximum gap between any two consecutive meetings (in number of days) <sup>(1)</sup>
08/11/2023	-	-	-	-	-
12/12/2023	-	-	-	-	-
-	05/01/2024	Yes	6	3	23
-	09/02/2024	Yes	6	3	34
-	27/02/2024	Yes	5	3	17

Note:

(1) In terms of the Master Circular issued by SEBI bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023, this information is filled in only for the current quarter meetings.

**IV. Meetings of Committees****A. Audit Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days <sup>(1)</sup>
-	-	-	-	08/11/2023	-
-	-	-	-	12/12/2023	-
09/02/2024	Yes	4	3	-	58
27/02/2024	Yes	4	3	-	17

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**B. Nomination and Remuneration Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
-	-	-	-	12/12/2023	-
09/02/2024	Yes	3	3	-	58

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**C. Risk Management Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days <sup>(1)</sup>
-	-	-	-	12/12/2023	-
09/02/2024	Yes	5	3	-	58

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**D. Stakeholders' Relationship Committee**

Date(s) of meeting of the Committee in the relevant quarter <sup>(1)</sup>	Whether requirement of Quorum met <sup>(1)</sup>	Number of Directors present <sup>(1)</sup>	Number of independent directors present <sup>(1)</sup>	Date(s) of meeting of the Committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days <sup>(1)</sup>
28/03/2024	Yes	3	1	-	-

Note:

(1) In terms of the SEBI Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, this information is filled in only for the current quarter meetings.

**V. Affirmations**

Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is "No", reasons for non-compliance to be explained]
1	The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
2	The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014. (a) Audit Committee (b) Nomination and Remuneration Committee (c) Risk Management Committee (d) Stakeholders' Relationship Committee	Yes Yes Yes Yes
3	The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes
4	The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014.	Yes

Sr. No.	Affirmations	Compliance status (Yes/No/NA)[If status is “No”, reasons for non-compliance to be explained]	
5	<p>(a) This report has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.</p> <p>(b) The report submitted in the previous quarter has been placed before Board of Directors of the Investment Manager. Any comments/observations/ advice of the board of directors may be mentioned here.</p>	<p>No. This Report for the quarter ended March 31, 2024 shall be placed before the Board at its ensuing meeting. Further, any comments/ observations/ advice of the Board on this Report shall be mentioned in the Report for the quarter ended June 30, 2024.</p> <p>Yes. The Report for the quarter ended December 31, 2023 was placed before the Board at its meeting held on February 9, 2024 and the Board had no observation/ comment/ advice on the said Report.</p>	
Sr. No.	Item	Compliance status (Yes/No/NA)	If Yes provide link to website. If No / NA provide reasons
a	Details of business	Yes	<a href="http://www.pipelineinvit.com">www.pipelineinvit.com</a>
b	Financial information including complete copy of the Annual Report including Balance Sheet, Profit and Loss Account, etc.	Yes	<a href="http://www.pipelineinvit.com/Annual_Financial_Report.html">www.pipelineinvit.com/Annual_Financial_Report.html</a>
c	Contact information of the designated officials of the company who are responsible for assisting and handling investor grievances	Yes	<a href="http://www.pipelineinvit.com/contact_us.html">www.pipelineinvit.com/contact_us.html</a>
d	Email ID for grievance redressal and other relevant details	Yes	<a href="http://www.pipelineinvit.com/contact_us.html">www.pipelineinvit.com/contact_us.html</a>
e	Information, report, notices, call letters, circulars, proceedings, etc. concerning units	Yes	<a href="https://www.pipelineinvit.com/Announcements.html">https://www.pipelineinvit.com/Announcements.html</a>
f	All information and reports including compliance reports filed by InvIT with respect to units	Yes	<a href="http://www.pipelineinvit.com/Announcements.html">www.pipelineinvit.com/Announcements.html</a>
g	All intimations and announcements made by InvIT to the stock exchanges	Yes	<a href="https://www.pipelineinvit.com/Announcements.html">https://www.pipelineinvit.com/Announcements.html</a>
h	All complaints including SCORES complaints received by the InvIT	Yes	<a href="https://www.pipelineinvit.com/Announcements.html">https://www.pipelineinvit.com/Announcements.html</a>
i	Any other information which may be relevant for the investors	Yes	<a href="https://www.pipelineinvit.com/Announcements.html">https://www.pipelineinvit.com/Announcements.html</a>
It is certified that these contents on the website of the InvIT are correct.			

#### VII. Annual Affirmations

Sr. No.	Affirmations	Regulation No.	Compliance status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and / or 'eligibility'	2(1)(saa)	Yes
2	Board composition	4(2)(e)(v), 26G, 26H(1)	Yes
3	Meeting of board of directors	26G	Yes
4	Quorum of board meeting	26H(2)	Yes
5	Review of Compliance Reports	26H(3)	Yes
6	Plans for orderly succession for Appointments	26G	Yes
7	Code of Conduct	26G	Yes

Sr. No.	Affirmations	Regulation No.	Compliance status (Yes/No/NA)
8	Minimum Information	26H(4)	Yes
9	Compliance Certificate	26H(5)	Pursuant to the extension granted by SEBI to the Company, acting in its capacity as the Investment Manager, the compliances relating to corporate governance provisions have been made applicable to the Trust w.e.f. June 1, 2023. Accordingly, Compliance Certificate for FY2022-23 was not applicable. For the FY 2023-24, the same shall be placed before the Board of the Company at the time of approval of the annual audited financial information for the year ended March 31, 2024.
10	Risk Assessment & Management	26G	Yes
11	Performance Evaluation of Independent Directors	26G	Yes
12	Recommendation of Board	26H(6)	Yes
13	Composition of Audit Committee	26G	Yes
14	Meeting of Audit Committee	26G	Yes
15	Composition of Nomination & Remuneration Committee	26G	Yes
16	Quorum of Nomination and Remuneration Committee meeting	26G	Yes
17	Meeting of Nomination & Remuneration Committee	26G	Yes
18	Composition of Stakeholder Relationship Committee	26G	Yes
19	Meeting of Stakeholder Relationship Committee	26G	Yes
20	Composition and role of Risk Management Committee	26G	Yes
21	Meeting of Risk Management Committee	26G	Yes
22	Vigil Mechanism	26I	Yes
23	Approval for related party Transactions	19(3), 22(4)(a)	Yes
24	Disclosure of related party transactions	19(2)	Yes
25	Annual Secretarial Compliance Report	26J	N.A. for FY2022-23. For FY2023-24, the same shall be filed with the designated stock exchange within the prescribed timeline i.e. within 60 days from the end of the financial year.
26	Alternate Director to Independent Director	26G	Yes
27	Maximum Tenure of Independent Director	26G	Yes
28	Meeting of independent directors	26G	Yes
29	Familiarization of independent directors	26G	Yes
30	Declaration from Independent Director	26G	Yes

Sr. No.	Affirmations	Regulation No.	Compliance status (Yes/No/NA)
31	Directors and Officers insurance	26G	Yes
32	Memberships in Committees	26G	Yes
33	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management	26G	Yes
34	Policy with respect to Obligations of directors and senior management	26G	Yes

**For India Infrastructure Trust**  
**Brookfield India Infrastructure Manager Private Limited**  
*(Acting in its capacity as the Investment Manager of India Infrastructure Trust)*

**Vikas Prakash**  
**Company Secretary & Compliance Officer**

# **STANDALONE FINANCIAL STATEMENTS**

# INDEPENDENT AUDITORS' REPORT

To The Unitholders of India Infrastructure Trust

## Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of India Infrastructure Trust ("the Trust"), which comprise the Standalone Balance Sheet as at March 31, 2024, Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Unitholders' Equity, Standalone Statement of Cash Flows for the year ended on that date, Standalone Statement of Net Assets at Fair Value as at March 31, 2024, Standalone Statement of Total Returns at Fair Value and Net Distributable Cash Flows for the year ended on that date as an additional disclosure in accordance with Securities Exchange Board of India (SEBI) Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, dated July 06, 2023 and notes to the financial statements, including a summary of material accounting policies and other explanatory information (together hereinafter referred 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 read with the SEBI master Circular number SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, dated July 06, 2023 (the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations, of the state of affairs of the Trust as at March 31, 2024, and its profit (including other comprehensive income), its changes in unitholders' equity, its cash flows for the year ended March 31, 2024, its net assets at fair value as at March 31, 2024, its total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the Trust.

### 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 (the "ICAI"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibility for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and have fulfilled our ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Emphasis of Matter

We draw attention to Note 12.2 of the standalone financial statements, which describes the presentation of "Unit Capital" as "Equity" to comply with InvIT Regulations. Our opinion is not modified in respect of this matter.



### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. This matter was 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 this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Fair valuation of Investment in Non- convertible debentures ("NCDs"):</p> <p>The valuation of investment in Non- convertible debentures (NCDs) of Pipeline Infrastructure Limited, the SPV of the Trust ("IIT NCDs), was a key area of audit focus due to degree of complexity and judgement involved in valuing the NCDs.</p> <p>As at March 31, 2024, fair value of these IIT NCDs was Rs. 6,051.16 crores. These NCDs are measured at fair value and classified as "Level 3" of the fair value hierarchy.</p> <p>The fair value of these IIT NCDs is determined by an independent valuer using discounted cash flow method.</p> <p>While there are several assumptions that are required to determine the fair value of IIT NCDs, the assumptions with the highest degree of estimate, subjectivity and impact on fair value are the discount rate and the interest rate at which the SPV will be able to refinance its external listed NCDs. Auditing these assumptions required a high degree of auditor judgment as the estimates made by the independent valuer contain significant measurement uncertainty.</p> <p>Refer Note 26 to the standalone financial statements.</p>	<p>Principal audit procedures performed included the following:</p> <p>Our audit procedures related to the discount rate and the interest rate at which the SPV will be able to refinance its external listed NCDs, used to determine the fair value of the investment in NCDs included the following, among others</p> <ul style="list-style-type: none"> <li>• We obtained the independent valuer's valuation report to obtain an understanding of the source of information used by the independent valuer in determining the assumption.</li> <li>• We tested the reasonableness of inputs, shared by management with the independent valuer, by comparing it to source information used in preparing the inputs such as schedule of Equated Yearly Instalments.</li> <li>• We evaluated the Trust's fair valuation specialist's competence to perform the valuation..</li> <li>• We also involved our internal fair valuation specialists to independently determine fair value of the IIT NCDs on the balance sheet date, which included assessment of the reasonableness of the discount rate and the interest rate at which the SPV will be able to refinance its external listed NCDs, used by management in valuation.</li> <li>• We compared the fair value determined by the Trust with that determined by our internal fair valuation specialist to assess the reasonableness of the fair valuation.</li> </ul>

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

- Brookfield India Infrastructure Manager Private Limited ('Investment Manager') acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information included in the 'Report of the Investment Manager' but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon. The Report of the Investment Manager is expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available. 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.
- When we read the Report of the Investment Manager, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Board of Directors of the Investment Manager ("the Board") is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in unitholders' equity, cash flows for the year ended March 31, 2024, net assets at fair value as at March 31, 2024, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the Trust in conformity with the InvIT Regulations and accounting principles generally accepted in India, including the Indian Accounting Standards as defined in Rule 2(1) (a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) to the extent not inconsistent with InvIT Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board 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 either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board is also responsible for overseeing the financial reporting process of the Trust.

### Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

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

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

- b) The Standalone Balance Sheet, Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Unitholders' Equity, Standalone Statement of Cash Flows, Standalone Statement of Net Assets at fair value, Standalone Statement of Total Return at fair value and the Statement of Net Distributable Cash Flows dealt with by this Report are in agreement with the relevant books of account of the Trust;
- c) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/ W100018)

**Rajendra Sharma**

Partner

(Membership No. 119925)

(UDIN: 24119925BKHFZX7268)

Place: Navi Mumbai

Date: May 24, 2024

# STANDALONE BALANCE SHEET

(Rs. in Crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investment in Subsidiary	3	50.00	50.00
Financial Assets			
Investments	4	6,051.16	5,997.19
Other Financial Assets	5	1.42	48.91
Assets for current tax	6	0.04	0.08
<b>Total Non-Current Assets</b>		<b>6,102.62</b>	<b>6,096.18</b>
<b>Current Assets</b>			
Financial Assets			
Investments	7	91.53	0.53
Cash and Cash Equivalents	8	0.15	0.22
Other Bank Balances	9	45.04	-
Other Financials Assets	10	-	0.57
Other Current Assets	11	0.01	0.06
<b>Total Current Assets</b>		<b>136.73</b>	<b>1.38</b>
<b>Total Assets</b>		<b>6,239.35</b>	<b>6,097.56</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Unit Capital	12	4,228.29	4,708.15
Other Equity			
Retained earning	13	1,890.40	1,304.39
<b>Total Unit Holders' Equity</b>		<b>6,118.69</b>	<b>6,012.54</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Other Financial Liabilities	14	97.26	82.80
<b>Total Non-Current Liabilities</b>		<b>97.26</b>	<b>82.80</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Trade Payables	15		
Small Enterprises and Micro enterprises		-	0.00
Others		1.82	2.01
Other Financial Liabilities	16	21.31	0.00
Other Current Liabilities	17	0.27	0.21
<b>Total Current Liabilities</b>		<b>23.40</b>	<b>2.22</b>
<b>Total Liabilities</b>		<b>120.66</b>	<b>85.02</b>
<b>Total Equity and Liabilities</b>		<b>6,239.35</b>	<b>6,097.56</b>

See accompanying Notes to the Financial Statements

1-38

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
(Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
Partner  
Membership No. 119925

Date : May 24, 2024  
Place : Navi Mumbai

**For and on behalf of the Board of Directors of**  
**Brookfield India Infrastructure Manager Private Limited**  
(as Investment Manager of India Infrastructure Trust)

**Akhil Mehrotra**  
Managing Director of  
Brookfield India  
Infrastructure Manager  
Private Limited  
DIN: 07197901  
Date : May 24, 2024  
Place: Navi Mumbai

**Suchibrata Banerjee**  
Chief Financial Officer of  
Brookfield India  
Infrastructure Manager  
Private Limited  
PAN: AIGPB7900G  
Date : May 24, 2024  
Place: Navi Mumbai

**Vikas Prakash**  
Company Secretary &  
Compliance Officer of  
Brookfield India  
Infrastructure Manager  
Private Limited  
ACS No. 21117  
Date : May 24, 2024  
Place: Navi Mumbai

# STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. in Crore)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Interest	18	574.49	611.20
Profit on sale of Mutual Funds		0.42	0.14
Other Income	18A	1.37	0.01
Fair value gain/(loss) on Non convertible debentures measured at FVTPL	19	533.82	(517.25)
<b>Total Income</b>		<b>1,110.10</b>	<b>94.10</b>
<b>EXPENSES</b>			
Valuation Expenses		0.23	0.23
Audit Fees	20	2.62	2.66
Project Management Fees	21	1.77	1.77
Investment Management Fees	22	2.83	2.83
Trustee Fee		0.21	0.21
Custodian Fees		0.38	0.40
Fair value loss on put option		1.00	1.30
Fair value loss on call option		14.46	12.68
Other Expenses	23	5.93	0.86
<b>Total Expenses</b>		<b>29.43</b>	<b>22.94</b>
<b>Profit for the period before Income tax</b>		<b>1,080.67</b>	<b>71.16</b>
<b>Tax Expenses</b>			
Current Tax		1.44	1.17
Deferred Tax		-	-
<b>Profit for the period after Income tax</b>		<b>1,079.23</b>	<b>69.99</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to statement of profit and loss		-	-
<b>Total Comprehensive Income for the period</b>		<b>1,079.23</b>	<b>69.99</b>
Earnings per unit of unit value	24		
- For Basic (Rs.)		16.25	1.05
- For Diluted (Rs.)		16.25	1.05
<b>See accompanying Notes to the Financial Statements</b>	<b>1-38</b>		

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
(Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
Partner  
Membership No. 119925

Date : May 24, 2024  
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# STATEMENT OF CHANGES IN UNITHOLDER'S EQUITY

## A. UNIT CAPITAL

(Rs. in Crore)

Particulars	Balance at the beginning of previous reporting year i.e. April 1, 2022	Changes in unit capital during the year 2022-23*	Balance at the end of previous reporting year i.e. March 31, 2023	Changes in unit capital during the year 2023-24*	Balance as at the end of the reporting year i.e. March 31, 2024
Amount	5,157.95	(449.80)	4,708.15	(479.86)	4,228.29

\* Return of capital as per NDCF is approved by Investment Manager. Refer NDCF Note 28.

## B. OTHER EQUITY

(Rs. in Crore)

Particulars	Retained Earnings	Other Comprehensive Income	Total
<b>As at March 31, 2023</b>			
Balance as at the beginning of the reporting year i.e. April 1, 2022	1,831.35	-	1,831.35
Total Comprehensive Income for the year	69.99	-	69.99
Return on Capital <sup>#</sup>	(596.95)	-	(596.95)
Other Income Distribution <sup>#</sup>	-	-	-
<b>Balance as at the end of the reporting year i.e. March 31, 2023</b>	<b>1,304.39</b>	<b>-</b>	<b>1,304.39</b>
<b>As at March 31, 2024</b>			
Balance as at the beginning of the reporting year i.e. April 1, 2023	1,304.39	-	1,304.39
Total Comprehensive Income for the year	1,079.23	-	1,079.23
Return on Capital <sup>#</sup>	(488.54)	-	(488.54)
Other Income Distribution <sup>#</sup>	(4.68)	-	(4.68)
<b>Balance as at the end of the reporting year i.e. March 31, 2024</b>	<b>1,890.40</b>	<b>-</b>	<b>1,890.40</b>

# Return on capital and other income distributed during the year as per NDCF duly approved by Investment Manager which include interest and other income. Refer NDCF Note 28.

See accompanying Notes to the Financial Statements 1 - 38

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
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**Rajendra Sharma**  
 Partner  
 Membership No. 119925

Date : May 24, 2024  
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**For and on behalf of the Board of Directors of**  
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 Place: Navi Mumbai



# STANDALONE STATEMENT OF CASH FLOWS

(Rs. in crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	1,080.67	71.16
Adjusted for:		
Fair Value loss/(gain) on Non Convertible Debenture measured at FVTPL	(533.82)	517.25
Fair value measurement loss on put option	1.00	1.30
Fair value measurement loss on call option	14.46	12.68
Interest income on Non convertible debentures <sup>(1)</sup>	(571.54)	(608.61)
Interest income on Fixed Deposit	(2.95)	(2.59)
Realised and Unrealised gain on Mutual Funds	(1.79)	(0.14)
<b>Operating profit before working capital changes</b>	<b>(13.97)</b>	<b>(8.94)</b>
(Increase)/Decrease in Other Current Assets	0.04	(0.06)
Increase/(Decrease) in Trade Payables	(0.19)	(1.46)
Increase/(Decrease) in Other Financial liabilities	1.32	0.01
Increase/(Decrease) in Other Current Liabilities	0.06	(0.12)
<b>Cash Generated from Operations</b>	<b>(12.74)</b>	<b>(10.57)</b>
Less : Taxes paid	(1.42)	(1.20)
<b>Net Cash Flow from Operating Activities</b>	<b>(14.16)</b>	<b>(11.77)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Redemption/Principal repayment received on Non convertible debentures of SPV	341.75	314.82
Expenditure Component sweep received from SPV	138.10	134.97
Interest received on investment in debentures <sup>(1)</sup>	591.53	608.61
Sale proceeds of Mutual Funds	42.50	42.43
Investment in Mutual Funds	(131.70)	(42.59)
Reinvestment/ (Redemption) of DSRA BG Fixed Deposit	-	(2.31)
Interest income received on Fixed Deposit with banks	4.98	2.57
<b>Net Cash Flow from Investing Activities</b>	<b>987.16</b>	<b>1,058.50</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Return of Capital to Unit holders	(479.84)	(449.80)
Return on Capital to Unit holders	(488.54)	(596.95)
Distribution of Miscellaneous income to Unit holders	(4.68)	-
<b>Net Cash Flow used in Financing Activities</b>	<b>(973.06)</b>	<b>(1,046.75)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(0.06)</b>	<b>(0.02)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>0.22</b>	<b>0.24</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>0.15</b>	<b>0.22</b>

See accompanying Notes to the Financial Statements

1-38

<sup>(1)</sup>The Trust has changed its presentation relating to interest received on Investment in Non-Convertible Debentures of SPV ('NCDs') from "Cash flow from operating activities" to "Cash flow from investing activities" to align with the presentation of principal repayments received on NCDs, which are presented under Cash flow from investing activities. This change in presentation has decreased the cash inflows from operating activities by Rs. 608.61 Crore and has increased the cash inflows from investing activities by Rs. 608.61 Crore for the year ended March 31, 2023.

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 (Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
 Partner  
 Membership No. 119925

Date : May 24, 2024  
 Place : Navi Mumbai

**For and on behalf of the Board of Directors of**  
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# STATEMENT OF NET ASSETS AT FAIR VALUE AND STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Disclosures pursuant to Section H of Chapter 3 of the SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 issued under the SEBI (Infrastructure Investment Trusts) Regulations, 2014.

## A. Standalone Statement of Net Assets at Fair Value

Particulars	(Rs. in Crore)	
	As at March 31, 2024	
	Book value	Fair value <sup>#</sup>
A. Assets*	6,239.35	6,694.04
B. Liabilities**	120.66	120.66
C. Net Assets (A-B)	6,118.69	6,573.38
D. Number of Units (No. in Crore)	66.40	66.40
E. NAV (C/D)	92.15	99.00

\* Assets includes the Fair Value of the Enterprise Value attributable to the InvIT as at March 31, 2024. Assets are valued as per valuation reports issued by independent valuers appointed under the InvIT Regulations.

\*\* Liabilities includes book value of InvIT liabilities

### #Breakup of Fair value of assets

Particulars	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Fair Value of Investment in Equity shares and NCDs of SPV	6,555.85	6,823.49
Add: Other Assets	138.19	47.23
<b>Fair value of InvIT assets</b>	<b>6,694.04</b>	<b>6,870.72</b>

## B. Standalone Statement of Total Returns at Fair Value

Particulars	(Rs. in Crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Total Comprehensive Income (As per the Statement of Profit and Loss)	1,079.23	69.99
Add/(less): Other Changes in Fair Value not recognized in Total Comprehensive Income	(318.47)	435.95
<b>Total Return</b>	<b>760.76</b>	<b>505.94</b>

Fair value of assets for the year ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 (Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
 Partner  
 Membership No. 119925

Date : May 24, 2024  
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## 1 Corporate Information

India Infrastructure Trust ("Trust"/"InvIT") is registered as a contributory irrevocable trust set up under the Indian Trusts Act, 1882 on November 22, 2018, and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on January 23, 2019 having registration number IN/InvIT/18-19/00008. During the current year, effective May 6, 2022, the registered office of the Trust has been again changed from Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai, Maharashtra - 400051, India to Seawoods Grand Central, Tower-1, 3rd Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Navi Mumbai, Thane, Maharashtra - 400706, India.

Effective April 1, 2020, the "Investment Manager" of the Trust is Brookfield India Infrastructure Manager Private Limited. The registered office of the Investment Manager has been changed from Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai, Maharashtra - 400051 India to Seawoods Grand Central, Tower-1, 3rd Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Navi Mumbai, Thane, Maharashtra - 400706, India effective April 29, 2024.

The investment objectives of the Trust are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI (Infrastructure investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("SEBI InvIT Regulations") by raising funds and making investments in accordance with the SEBI InvIT Regulations and the Trust Deed. The InvIT has received listing and trading approval for its Units w.e.f. March 20, 2019 from the Stock Exchange vide BSE notice dated March 19, 2019.

On March 22, 2019 Trust acquired 100% controlling interest in Pipeline Infrastructure Limited (PIL/SPV) from Reliance Industries Holding Private Limited (RIHPL). PIL owns and operates the ~1,480 km natural gas transmission pipeline, including dedicated lines, (together with compressor stations and operation centres) (the "Pipeline") from Kakinada in Andhra Pradesh to Bharuch in Gujarat.

## 2 Material Accounting Policies

### 2.1 Basis of Accounting and Preparation of Standalone Financial Statements

The Standalone Financial Statements of Trust comprises the Standalone Balance Sheets as at March 31, 2024; the Standalone Statement of Profit and Loss, the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Unitholders' Equity for the year ended March 31, 2024 and a summary of significant accounting policies and other explanatory information and Statement of Net Distributable Cash Flows (NDCF) of Trust for the year ended March 31, 2024. Additionally, it includes the Statement of Net Assets at Fair Value as at 31 March 2024, the Statement of Total Returns at Fair Value for year then ended and other additional financial disclosures as required under the SEBI (Infrastructure Investment Trusts) Regulations, 2014. The Standalone Financial Statements were authorized for issue in accordance with resolutions passed by the Board of Directors of the Investment Manager on behalf of the India Infrastructure Trust on May 23, 2024. The standalone Financial Statements have been prepared in accordance with the requirements of Paragraph 4.6 of Chapter 4, Section A of the SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 ("the SEBI Master circular"); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations (refer note 12.2 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

The Trust's Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Crore upto two decimal places, except when otherwise indicated.

#### Statement of compliance to Ind AS:

These Standalone Financial Statements for the year ended March 31, 2024 have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the InvIT regulations as more fully described above and in Note 12.2 to the standalone financial statements.

## 2.2 Use of estimates and judgements :

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Trust to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

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

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. 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.

Key sources of estimation of uncertainty at the date of standalone financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of fair value measurements of financial instruments, these are discussed below:

### a) Fair valuation

The investment in non-convertible debentures and call and put options related to the investment in subsidiary are measured at fair value. Since the inputs to the valuation are dependent on unobservable market data, the Trust engages third party qualified external valuers to establish the appropriate valuation techniques and inputs to the valuation model (Refer Note 26 to the financial statements).

## 2.3 Summary of Material Accounting Policies

### a) Cash and cash equivalents

Cash and cash equivalents only includes balance with banks. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Trust's cash management.

### b) Provisions and Contingent liabilities

A provision is recognised when there is present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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 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.

**c) Tax Expense**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

**Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting year.

**d) Revenue Recognition**

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

**i) Interest Income :**

Interest income from a financial assets is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**ii) Dividend :**

Dividend is recognised when the right to receive is established.

**e) Current and non-current classification**

Assets and liabilities are presented in Balance Sheet based on current and non-current classification

An asset is classified as current when it is

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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 classified as current when it is

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) 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.”

**f) Fair value measurement**

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. 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.

Valuation techniques used are those that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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.

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these 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 liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 26.

**g) Off-setting financial instrument**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must

not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the trust or counterparty.

**h) Earnings per unit**

Basic earnings per unit is computed using the net profit for the period attributable to the unitholders' and weighted average number of units outstanding during the period.

Diluted earnings per unit is computed using the net profit for the period attributable to unitholder' and weighted average number of units and potential units outstanding during the period including unit options, convertible preference units and debentures, except where the result would be anti-dilutive. Potential units that are converted during the period are included in the calculation of diluted earnings per unit, from the beginning of the period or date of issuance of such potential units, to the date of conversion. There are no dilutive units issued by the Trust.

**i) Investment in subsidiaries**

Investments in equity instruments of 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.

**j) Statements of net assets at fair value**

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the total assets and fair values of the total liabilities. The fair value of the assets are reviewed annually by Investment manager, derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations. The independent valuers are leading valuers with a recognized and relevant professional qualification as per InvIT regulations and valuation assumptions used are reviewed by Investment Manager at least once a year.

**k) Statements of Total Returns at Fair Value**

The disclosure of total returns at fair value comprises of the total Comprehensive Income as per the Standalone Statement of Profit and Loss and Other Changes in Fair Value not recognized in Total Comprehensive Income. Other changes in fair value is derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

**l) Net distributable cash flows to unit holders**

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Pipeline InvIT Committee constituted by the Board of Directors of the Investment Manager (upto December 12, 2023) and Board of Directors of the Investment Manager (w.e.f. December 12, 2023). A corresponding amount is recognised directly in equity.

**m) Financial instruments**

**i) Financial Assets**

**A. Initial recognition and measurement:**

Financial assets are recognised when the Trust becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other



than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**B. Subsequent measurement**

**a) Financial assets measured at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**d) Impairment of financial assets**

In accordance with Ind AS 109, the Trust uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**ii) Financial liabilities**

**A. Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

**B Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(iii) Derecognition of financial instruments**

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under



Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Trust's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**n) New standards and interpretations**

New and amended Indian Accounting Standards that are effective for the current year:

In the current year, the Trust has applied the following amendments to Ind AS issued by the Ministry of Corporate Affairs that are mandatorily effective for an accounting period that begins on or after March 31, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

**Amendments to Ind AS 1 Presentation of Financial Statements Disclosure of Accounting Policies** - The Trust has adopted the amendments to Ind AS 1 for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

**Amendments to Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction** - The Trust has adopted the amendments to Ind AS 12 for the first time in the current year. The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit. This amendment did not have impact on the Financial Statements of the Trust.

**Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates** - The Trust has adopted the amendments to Ind AS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>NOTE 3 - INVESTMENTS IN SUBSIDIARY</b>		
<b>Equity investments, at cost (unquoted)</b>		
5,00,00,000 equity shares of Rs.10/- each of Pipeline Infrastructure Limited held by India Infrastructure Trust along with its nominee	50.00	50.00
<b>TOTAL</b>	<b>50.00</b>	<b>50.00</b>
<b>3.1 Additional Information</b>		
Aggregated Value of Unquoted Investments	50.00	50.00
Aggregated Value of Quoted Investments	-	-
Aggregate provision for increase / diminution in the value of Investments	-	-
Note: The Trust holds 100% equity ownership in Pipeline Infrastructure Limited		
<b>3.2</b> In April 2024, 2,54,99,997 Equity Shares of Pipeline Infrastructure Limited (amounting to Rs. 25.50 Crore) has been pledged towards 6,45,200 external non-convertible debentures issued by PIL ('External NCDs'). Further, 2,44,99,997 Equity Shares of Pipeline Infrastructure Limited (amounting to Rs. 24.50 Crore), non-disposal undertaking has been created by IIT in the favour of External NCDs.		

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>NOTE 4. NON CURRENT FINANCIAL INVESTMENTS</b>		
<b>Investments in Non Convertible Debenture (NCD) (at FVTPL)</b>		
649,80,000 (PY 649,80,000) Secured, Unlisted NCDs of Rs. 778.31 each (Previous Year Rs. 830.90) issued by Pipeline Infrastructure Limited (Refer Note 26)	6,051.16	5,997.19
<b>TOTAL</b>	<b>6,051.16</b>	<b>5,997.19</b>
<b>4.1</b> In April 2024, a non-disposal undertaking has been created for the Investments in Non-Convertible Debenture issued by Pipeline Infrastructure Limited (SPV) in the favour of External NCDs.		

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>NOTE 5. NON CURRENT FINANCIAL ASSETS</b>		
Put option on PIL shares (Refer Note 5.1)	1.42	2.42
Fixed deposit (as margin money to comply with DSRA requirement having maturity more than 1 year)	-	46.49
<b>TOTAL</b>	<b>1.42</b>	<b>48.91</b>
<b>5.1</b> As per the terms agreed by the Trust, the Investment Manager, Pipeline Infrastructure Limited (PIL), Reliance Industries Holdings Private Limited (RIHPL) and Reliance Industries Limited (RIL), wherein the Trust has right, but not the obligation, to sell its entire stake of the Trust in PIL to RIL after a specific term or occurrence of certain events for a consideration of Rs. 50 Crore or such other amount determined by the option valuer, whichever is lower.		

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>NOTE 6. ASSETS FOR CURRENT TAX</b>		
Advance tax (Net of Provision for Income Tax of Rs.1.44 cr) (Previous year Rs. 1.17 cr)	0.04	0.08
<b>TOTAL</b>	<b>0.04</b>	<b>0.08</b>

(Rs. in Crore)

<b>NOTE 7. INVESTMENTS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Investment in Mutual Funds	<b>91.53</b>	0.53
<b>TOTAL</b>	<b>91.53</b>	0.53

(Rs. in Crore)

<b>NOTE 8. CASH AND CASH EQUIVALENTS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Balance with Banks	<b>0.15</b>	0.22
<b>TOTAL</b>	<b>0.15</b>	0.22

(Rs. in Crore)

<b>NOTE 9. OTHER BANK BALANCES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Fixed Deposit with Yes Bank	<b>45.04</b>	-
<b>TOTAL</b>	<b>45.04</b>	-

(Rs. in Crore)

<b>NOTE 10. OTHER FINANCIAL ASSETS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Interest receivable on Fixed deposit	-	0.57
<b>TOTAL</b>	-	0.57

(Rs. in Crore)

<b>NOTE 11. OTHER CURRENT ASSETS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Prepaid expenses	<b>0.01</b>	0.05
<b>TOTAL</b>	<b>0.01</b>	0.05

(Rs. in Crore)

<b>NOTE 12. UNIT CAPITAL</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>12.1 Unit Capital</b>		
Issued, subscribed and fully paid up unit capital : 66,40,00,000 units (Previous Year i.e. March 31, 2023 : 66,40,00,000 units)	<b>4,228.29</b>	4,708.15
<b>TOTAL</b>	<b>4,228.29</b>	4,708.15

### Rights and Restrictions to Units

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 each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distributions in Indian Rupees. The distributions can be in the form of return of capital, return on capital and miscellaneous income.

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

The unit holders(s) shall not have any personal liability or obligation with respect to the Trust.

**12.2** Under the provisions of the InvIT Regulations, Trust is required to distribute to Unitholders not less than 90% of the net distributable cash flows of the Trust for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with the SEBI Master Circular, the Unit Capital have been presented as "Equity" in order to comply with the requirements of the Section H of Chapter 3 of the SEBI Master Circular dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

**12.3 Information on unitholders holding more than 5% of Unit Capital**

Name of Unitholder	Relationship	As at March 31, 2024		As at March 31, 2023	
		No of Unit held	Percentage	No of Unit held	Percentage
Rapid Holdings 2 Pte. Ltd	Sponsor	49,80,00,000	75.00%	49,80,00,000	75.00%

**12.4 Reconciliation of the units outstanding at the beginning and at the end of the reporting year**

Particulars	As at March 31, 2024	As at March 31, 2023
	No. of Units	No. of Units
Units at the beginning of the year	66,40,00,000	66,40,00,000
Issued during the year	-	-
Units at the end of the year	66,40,00,000	66,40,00,000

(Rs. in Crore)

**NOTE 13. OTHER EQUITY**

	As at March 31, 2024	As at March 31, 2023
<b>Retained earnings</b>		
Opening Balance	1,304.39	1,831.35
Profit for the year	1,079.23	69.99
Return on Capital to Unit holders	(488.54)	(596.95)
Distribution of income to Unit holders	(4.68)	-
<b>TOTAL</b>	<b>1,890.40</b>	<b>1,304.39</b>

**13.1** Return on capital and other income as per NDCF is duly approved by Investment Manager. Refer Statement of Net Distributable Cash Flows (NDCF) in Note 28.

(Rs. in Crore)

**NOTE 14. OTHER NON CURRENT FINANCIAL LIABILITIES**

	As at March 31, 2024	As at March 31, 2023
Call Option with RIL for PIL Shares (Refer Note 14.1)	97.26	82.80
<b>TOTAL</b>	<b>97.26</b>	<b>82.80</b>

- 14.1** As per the terms agreed by the Trust, the Investment Manager, Pipeline Infrastructure Limited (PIL), Reliance Industries Holdings Private Limited (RIHPL) and Reliance Industries Limited (RIL), wherein RIL has the right, but not the obligation, to purchase the entire equity stake of the Trust in PIL after a specific term or occurrence of certain events for a consideration of Rs. 50 Crore or such other amount determined by the option valuer, whichever is lower.

(Rs. in Crore)		
<b>NOTE 15. TRADE PAYABLES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Small Enterprises and Micro enterprises (Refer Note 15.1 & 15.2)	-	0.00
Others	<b>1.82</b>	2.01
<b>TOTAL</b>	<b>1.82</b>	2.01
Of the above Trade Payables amounts due to related parties are as below:		
Trade Payables due to related parties	<b>0.69</b>	1.10
<b>Total due to related party</b>	<b>0.69</b>	1.10

- 15.1** Dues to Micro, Small & Medium Enterprises as defined under the MSMED Act, 2006

The Trust does not have any overdues outstanding to the Micro, Small & Medium Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2024 and on March 31, 2023. The identification of Micro and Small Enterprises is based on information available with the management.

- 15.2** Amount is less than Rs. 50,000 during previous year.

- 15.3** Trade payables ageing schedule for the year ended March 31, 2024 and March 31, 2023 (Rs. in Crore)

<b>As at March 31, 2024</b>	<b>Not due</b>	<b>Less than 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
MSME	-	-	-	-	-	-
Others*	<b>1.07</b>	<b>0.75</b>	-	-	-	<b>1.82</b>
<b>Total</b>	<b>1.07</b>	<b>0.75</b>	-	-	-	<b>1.82</b>

(Rs. in Crore)						
<b>As at March 31, 2023</b>	<b>Not due</b>	<b>Less than 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
MSME	0.00	-	-	-	-	0.00
Others*	0.84	1.17	-	-	-	2.01
<b>Total</b>	<b>0.84</b>	<b>1.17</b>	-	-	-	<b>2.01</b>

\*Includes unbilled amount of Rs. 1.07 Crore (Previous year Rs. 0.84 Crore payable to other creditors)

(Rs. in Crore)		
<b>NOTE 16. OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Payable to related party	<b>21.31</b>	0.00
<b>TOTAL</b>	<b>21.31</b>	0.00

(Rs. in Crore)		
<b>NOTE 17. OTHER CURRENT LIABILITIES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Statutory liabilities payable	<b>0.27</b>	0.21
<b>TOTAL</b>	<b>0.27</b>	0.21

	(Rs. in Crore)	
<b>NOTE 18. INTEREST</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Interest Income includes Income from Interest on Investment in Non-Convertible Debentures of SPV, Pipeline Infrastructure Limited (earlier presented as Revenue from Operations on the face of Statement of Profit and Loss) and Interest on Fixed Deposits (earlier presented as Other Income).		
Break-up of this is as follows:		
Income from Interest on Investment in Non Convertible Debentures of SPV, Pipeline Infrastructure Limited (Refer note 19 for fair valuation gain/(loss))	<b>571.54</b>	608.61
Interest on Fixed deposits	<b>2.95</b>	2.59
<b>TOTAL</b>	<b>574.49</b>	611.20

	(Rs. in Crore)	
<b>NOTE 18A: OTHER INCOME</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
MTM gain on valuation of Investments in Mutual Funds (Refer Note 18A.1)	<b>1.37</b>	0.01
<b>TOTAL</b>	<b>1.37</b>	0.01

18A.1 Profit on sale of Mutual Funds and Interest on Fixed Deposit, which have been presented under 'Other Income' in earlier periods, are now presented separately (also Refer note 18).

	(Rs. in Crore)	
<b>NOTE 19. FAIR VALUE GAIN/ (LOSS) ON NON CONVERTIBLE DEBENTURES</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Gain/(Loss) on investment in Non Convertible Debentures at fair value through profit or loss (Refer note 18 for interest income on these NCDs)	<b>533.82</b>	(517.25)
<b>TOTAL</b>	<b>533.82</b>	(517.25)

	(Rs. in Crore)	
<b>NOTE 20. AUDIT FEES</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Statutory audit fees <sup>#</sup>	<b>1.26</b>	0.65
Other audit fees <sup>*</sup>	<b>1.36</b>	2.01
<b>TOTAL</b>	<b>2.62</b>	2.66

<sup>#</sup> In the current year, statutory audit fees include an amount of Rs. 0.41 Crore for the audit of special purpose financial statements.

<sup>\*</sup> Represents audit fees paid for audit of group reporting package as per group referral instructions under the PCAOB standards.

		(Rs. in Crore)
<b>NOTE 21. PROJECT MANAGEMENT FEES</b>	<b>For the year ended March 31, 2024</b>	For the year ended March 31, 2023
Project Management Fees *	<b>1.77</b>	1.77
<b>TOTAL</b>	<b>1.77</b>	1.77

\* Pursuant to Project Management Agreement, the Project Manager is entitled to an Project Management fee of Rs. 0.125 Crore per month exclusive of GST.

		(Rs. in Crore)
<b>NOTE 22. INVESTMENT MANAGEMENT FEES</b>	<b>For the year ended March 31, 2024</b>	For the year ended March 31, 2023
Investment Management Fees *	<b>2.83</b>	2.83
<b>TOTAL</b>	<b>2.83</b>	2.83

\* Pursuant to Investment Management Agreement, the Investment Manager is entitled to an Investment Management fee of Rs. 0.20 Crore per month exclusive of GST. Investment Manager is also entitled to reimbursement of any cost incurred in relation to activity pertaining to Trust such as administration of Trust, appointment of staff, director, transaction expenses incurred with respect to investing, monitoring and disposing off investment of Trust.

		(Rs. in Crore)
<b>NOTE 23. OTHER EXPENSES</b>	<b>For the year ended March 31, 2024</b>	For the year ended March 31, 2023
Bank Charges	<b>0.01</b>	0.01
Duties, Rates and Taxes	<b>0.01</b>	0.00
Legal & Professional fees	<b>4.32</b>	0.64
Shared Services expenses	<b>0.06</b>	0.04
Miscellaneous Expenses	<b>0.10</b>	0.05
Listing Fee	<b>0.12</b>	0.12
Interest on Expenditure Component Sweep	<b>1.31</b>	-
<b>TOTAL</b>	<b>5.93</b>	0.86

		(Rs. in Crore)
<b>NOTE 24. EARNINGS PER UNIT (EPU)</b>	<b>For the year ended March 31, 2024</b>	For the year ended March 31, 2023
The following reflects the income and unit data used in the basic and diluted EPU computations:		
i) Net Profit as per Statement of Profit and Loss attributable to Unit Holders (Rs. in Crore)	<b>1,079.23</b>	69.99
ii) Weighted Average number of Units used as denominator for calculating Basic EPU	<b>66,40,00,000</b>	66,40,00,000
Reporting period (in days)	<b>366</b>	365
Units allotted (in days)	<b>366</b>	365
iii) Weighted Average number of Potential Units	-	-
iv) Total Weighted Average number of Units used as denominator for calculating Diluted EPU	<b>66,40,00,000</b>	66,40,00,000
v) Earnings per unit of unit value of Rs. 63.6792 each (Previous year unit value Rs. 70.9059 each)		
- For Basic (Rs. Per unit)	<b>16.25</b>	1.05
- For Diluted (Rs. Per unit)	<b>16.25</b>	1.05

**NOTE 25. RELATED PARTY DISCLOSURES**

As per SEBI InvIT regulations and as per Ind AS 24, disclosures with related party are as given below.

**I. List of Related Parties as per the requirements of Ind AS 24 - "Related Party Disclosures"****Related Parties where control exists**

<b>Ultimate Holding Company</b>	Brookfield Corporation (formerly known as Brookfield Asset Management Inc.)
<b>Entity which exercise control on the Trust</b>	Rapid Holdings 2 Pte. Ltd.
<b>Subsidiary</b>	Pipeline Infrastructure Limited
<b>Entity under common control</b>	Data Infrastructure Trust (upto December 11, 2023)
<b>Key Managerial Personnel of the Investment Manager (Brookfield India Infrastructure Manager Private Limited)</b>	Ms. Pooja Aggarwal - Chief Executive Officer (from June 01, 2023 to December 12, 2023) Mr. Darshan Vora - Chief Financial Officer (from June 01, 2023 to December 12, 2023) Mr. Akhil Mehrotra - Managing Director (effective December 12, 2023) Mr. Suchibrata Banerjee - Chief Financial Officer (effective December 12, 2023)

**II. List of additional related parties as per Regulations 2(1)(zv) of the SEBI InvIT Regulations****A) Parties to India Infrastructure Trust with whom there were transactions**

Brookfield India Infrastructure Manager Private Limited (Investment Manager) (as per Paragraph 4 of SEBI (InvIT) Regulations, 2014, as amended)

ECI India Managers Private Limited (Project Manager) (as per Paragraph 4 of SEBI (InvIT) Regulations, 2014, as amended)

Axis Trustee Services Limited (Trustee) (as per Paragraph 4 of SEBI (InvIT) Regulations, 2014, as amended)

**B) Directors of the parties to the Trust specified in II(A) Above****(i) ECI India Managers Private Limited**

Mr. Darshan Vora (effective February 10, 2022)

Mr. Anish Kedia (from September 30, 2021 to August 26, 2022 )

Ms. Sukanya Viswanathan (from August 26, 2022 to August 11, 2023)

Ms. Megha Ashok Dua (effective August 10, 2023)

**(ii) Brookfield India Infrastructure Manager Private Limited**

Ms. Pooja Aggarwal (upto April 6, 2022)

Mr. Sridhar Rengan (upto December 12, 2023)

Mr. Chetan Desai (upto May 31, 2023)

Mr. Narendra Aneja (upto May 31, 2023)

Ms. Swati Mandava (from June 28, 2022 to May 25, 2023)

Mr. Prateek Shroff (Effective May 26, 2023)

Ms. Radhika Haribhakti (from June 01, 2023 upto December 12, 2023)

Mr. Jagdish Kini (from June 01, 2023 upto December 12, 2023)

Mr. Arun Balakrishanan (Effective June 01, 2023)

Ms. Rinki Ganguli (from June 1, 2023 upto December 12, 2023)



Mr. Akhil Mehrotra (Effective December 12, 2023)  
 Mr. Chaitanya Pande (Effective December 12, 2023)  
 Mr. Varun Saxena (Effective December 12, 2023)  
 Ms. Kavita Venugopal (Effective December 12, 2023)

**(iii) Rapid Holdings 2 Pte. Ltd**

Mr. Tang Qichen (upto October 12, 2022)  
 Mr. Velden Neo Jun Xiong (upto April 29, 2022)  
 Mr. Liew Yee Foong  
 Ms. Ho Yeh Hwa  
 Mr. Tan Aik Thye Derek (effective April 29, 2022)  
 Ms. Tay Zhi Yun (effective October 12, 2022)  
 Ms. Talisa Poh Pei Lynn (effective October 12, 2022)

**(iv) Axis Trustee Services Limited**

Ms. Deepa Rath (effective May 01, 2021)  
 Mr. Rajesh Kumar Dahiya (Upto January 15, 2024)  
 Mr. Ganesh Sankaran (Upto January 15, 2024)  
 Mr. Sumit Bali (Effective January 16, 2024)  
 Mr. Prashant Joshi (Effective January 16, 2024)

**III. Transactions with the related Parties during the year**

(Rs. in Crore)				
Sr. No	Particulars	Relations	Year ended March 31, 2024	Year ended March 31, 2023
1	<b>Interest Income</b>			
	Pipeline Infrastructure Limited	Subsidiary	571.54	608.61
2	<b>Trustee Fee</b>			
	Axis Trustee Services Limited	Trustee	0.21	0.21
3	<b>Investment management fee</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	2.83	2.83
4	<b>Return of Capital Distributed</b>			
	(Rs. 7.2267 per unit paid out of unit value of 70.9059)			
	Rapid Holdings 2 Pte. Ltd.	Sponsor	359.88	337.36
5	<b>Repayment of NCD</b>			
	Pipeline Infrastructure Limited	Subsidiary	341.75	314.82
6	<b>Legal/Professional fees/reimbursement of expenses</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	1.75	0.50

				(Rs. in Crore)
Sr. No	Particulars	Relations	Year ended March 31, 2024	Year ended March 31, 2023
7	<b>Project Management fee</b>			
	ECI India Managers Private Limited	Project Manager	1.77	1.77
8	<b>Return on Capital Distributed</b>			
	Rapid Holdings 2 Pte.Ltd.	Sponsor	366.40	447.71
9	<b>Other Income Distributed</b>			
	Rapid Holdings 2 Pte. Ltd.	Sponsor	3.51	-
10	<b>Amount received towards expenditure component sweep</b>			
	Pipeline Infrastructure Limited	Subsidiary	138.10	134.97
11	<b>Shared Services - Rent</b>			
	Pipeline Infrastructure Limited	Subsidiary	0.06	0.04
<b>IV. Balances at the end of year</b>				(Rs. in Crore)
Sr. No	Particulars	Relations	As at March 31, 2024	As at March 31, 2023
1	<b>Reimbursement of Expense payable</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	0.69	0.05
2	<b>Investment Manager Fee Payable</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	-	0.24
3	<b>Project Manager fee payable</b>			
	ECI India Managers Private Limited	Project Manager	-	0.81
4	<b>Investment in Equity Shares</b>			
	Pipeline Infrastructure Limited	Subsidiary	50.00	50.00
5	<b>Non Convertible Debentures at Fair value through Profit and Loss (FVTPL)*</b>			
	Pipeline Infrastructure Limited	Subsidiary	6,051.16	5,997.19
6	<b>Shared Services - Rent</b>			
	Pipeline Infrastructure Limited	Subsidiary	-	0.03
7	<b>Interest on debentures paid in advance</b>			
	Pipeline Infrastructure Limited	Subsidiary	20.00	-
8	<b>Interest on ESC payable</b>			
	Pipeline Infrastructure Limited	Subsidiary	1.31	-
9	<b>Units value</b>			
	Rapid Holdings 2 Pte. Ltd.	Sponsor	3,171.22	3,531.11

\* Expenditure Component Sweep (ECS) received of Rs. 879.40 Crore (Previous year Rs. 741.30 Crore) from Pipeline Infrastructure Limited is netted off against Investment in Non Convertible Debentures (NCD) at Fair Value.

**NOTE 26. FINANCIAL INSTRUMENTS****Financial assets and liabilities**

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2024. (Rs. in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b><u>Financial Assets</u></b>				
<b>At Amortised Cost*</b>				
Cash and Cash Equivalents	0.15	0.15	0.22	0.22
Other Bank Balance	45.04	45.04	-	-
Other Financial Assets	-	-	47.06	47.06
<b>At FVTPL</b>				
Investments in Mutual Funds	91.53	91.53	0.53	0.53
Investments in Non Convertible Debentures (NCD)	6,051.16	6,051.16	5,997.19	5,997.19
Put option on PIL shares	1.42	1.42	2.42	2.42
<b><u>Financial Liabilities</u></b>				
<b>At Amortised Cost*</b>				
Trade payables	1.82	1.82	2.01	2.01
Other Financial Liabilities	21.31	21.31	-	-
<b>At FVTPL</b>				
Call Option on PIL shares	97.26	97.26	82.80	82.80

\* carrying amount approximates fair value as per management.

**Fair Value Measurement Hierarchy**

(Rs. in Crore)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b><u>Financial Assets</u></b>								
Investments in Mutual Funds	91.53	-	91.53	-	0.53	-	0.53	-
Investments in Non Convertible Debentures (NCD)	6,051.16	-	-	6,051.16	5,997.19	-	-	5,997.19
Put option on PIL shares	1.42	-	-	1.42	2.42	-	-	2.42
<b><u>Financial Liabilities</u></b>								
Call Option on PIL shares	97.26	-	-	97.26	82.80	-	-	82.80

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

**Level 2:** Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs based on unobservable market data

Fair value measurements using unobservable market data (level 3)

**Valuation methodology:**

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

**1. NCD Valuation**

The following table presents the changes in level 3 items related to Investment in NCDs for the year ended March 31, 2024 and March 31, 2023

Particulars	(Rs. in Crore)
As at April 1, 2023	5,997.19
Add: Fair Value Gain recognized in Profit & Loss	533.82
Less: Principal repayment of debentures	(341.75)
Less: Expenditure Component Sweep received during the year*	(138.10)
<b>As at March 31, 2024</b>	<b>6,051.16</b>
As at April 1, 2022	6,964.23
Less: Fair Value Loss recognized in Profit & Loss	(517.25)
Less: Principal repayment of debentures	(314.82)
Less: Expenditure Component Sweep received during the year*	(134.97)
<b>As at March 31, 2023</b>	<b>5,997.19</b>

\*Expenditure Component Sweep is treated as an advance and will be settled against the future repayments as per the Agreements (s).

The investment made by India Infrastructure Trust (InvIT) in Non Convertible Debentures (InvIT NCD) are classified as a Financial Asset according to the Ind AS 32 and 109. The InvIT NCDs are held with an intention to collect contractual cash flows over the tenure of the instrument and not held with an intention to sell. However, the cash flows flowing to InvIT are not solely in the nature of payment of principle and interest due to various variable cash flows attached to the instrument including additional interest after servicing the interest on external debt. Hence InvIT NCDs are classified at Fair Value through Profit & Loss (FVTPL).

Income from Interest on Investment in InvIT NCD amounting to Rs. 571.53 Crore (Previous year Rs. 608.61 Crore) is included under "Revenue from operations". Other Fair value Gain/ (Loss) on this NCD amounting to Rs. 533.82 Crore (Previous year Rs. (517.25) Crore) is included under "Fair value Gain/ (Loss) on Non convertible debentures measured at FVTPL".

The discounted cash flow method has been applied for deriving the fair valuation of the debentures which requires determining the present value of all cash flows.

The payment of interest and principal component of the InvIT NCDs is provided in the Debenture Trust Deed wherein interest component at the Annual Interest Rate ("AIR") will be computed on the outstanding principal of Total NCDs (i.e. InvIT NCDs + NCDs issued to External lenders). For first five years upto March 22, 2024, the AIR is fixed at 9.7%. For the balance period the AIR is computed in the block of every 5 years as Benchmark Rate + 100 bps (Benchmark Rate = the average of the previous 7 trading days as per Fixed Money Market and Derivatives Association of India ("FIMMDA") Corporate AAA 5 year yield. The AIR shall be subject to a minimum to 9.5% and a maximum of 10.5%. Accordingly, the coupon rate for balance period after the first 5 year block is considered at 9.5%.

**Other Terms**

In addition to above rate of interest, InvIT NCDs are also eligible for upside payments determined in accordance with the Pipeline Usage Agreement ('IIT Upside Share'), when the cumulative Return on Capital Employed (ROCE) earned by the SPV is in the range of 15% - 18%. Such IIT upside share is subject to clawback provision, if the cumulative ROCE goes below 15% in any subsequent year.

The significant assumptions considered in the valuation are:

1. Discount rate considered for valuation: The discount rate is computed as Zero Coupon FIMMDA 15 Year spread as on the Valuation Date for AAA rated bond for maturity corresponding to the cash flows and a spread of 1% for additional risk perceived at the time of issue of InvIT NCDs primarily since InvIT NCDs shall be paid after the Listed NCDs. If the discount rate for each year increases by 0.5% then fair value of the debentures will reduce by Rs. 102.90 Crore, if the discount rate reduces by 0.5% then fair value of the debentures will increase by Rs. 107.17 Crore.
2. The rate at which the SPV will be able to re-finance the external debt: The interest rate at which the SPV will be able to refinance new NCDs is considered based on expected future interest rate for a AAA rated bond using a spread of 1.04% for additional risk. If this rate increases by 0.5% then Fair value of the debentures will decrease by Rs. 87.87 Crore and if this rate reduces by 0.5% then Fair value of the debentures will increase by Rs. 87.87 Crore.

## 2. Options Valuation

The following table presents the changes in level 3 items related to Options Valuation for the year ended March 31, 2024 and March 31, 2023

Call option	(Rs. in Crore)
Particulars	Call Option
As at April 1, 2023	82.80
Add: Fair Value Loss recognized in Profit & Loss	14.46
<b>As at March 31, 2024</b>	<b>97.26</b>
As at April 1, 2022	70.12
Add: Fair Value Loss recognized in Profit & Loss	12.68
<b>As at March 31, 2023</b>	<b>82.80</b>
<b>Put Option</b>	<b>(Rs. in Crore)</b>
<b>Particulars</b>	<b>Put Option</b>
As at April 1, 2023	2.42
Less: Fair Value Loss recognized in Profit & Loss	(1.00)
<b>As at March 31, 2024</b>	<b>1.42</b>
As at April 1, 2022	3.72
Less: Fair Value Loss recognized in Profit & Loss	(1.30)
<b>As at March 31, 2023</b>	<b>2.42</b>

The fair value of call option and put option written on the shares of SPV is measured using Black Scholes Model. Key inputs used in the measurement are:

- (i) Stock Price: It is estimated based on the stock price as of the date of the transaction (March 22, 2019) of Rs. 50 Crore, as increased for the interim period between March 22, 2019 and March 31, 2024 by the Cost of Equity as this would be expected return on the investment for the acquirer.
- (ii) Exercise Price: Rs. 50 Crore
- (iii) Option Expiry: 20 years from March 22, 2019 i.e., March 22, 2039.
- (iv) Risk free rate as on date of valuation 7.1% and cost of equity 17.9%.

The significant assumption considered in the valuation is volatility of comparable company as per Black Scholes Model. The valuation of Call and Put Option is computed using the volatility of comparable company as 32.4%.

Call Option: If the volatility of comparable company increases by 5% then fair value of the Call option will increase by Rs. 1.05 Crore, if the volatility of comparable company reduces by 5% then fair value of the Call option will decrease by Rs. 0.78 Crore.

Put Option: If the volatility of comparable company increases by 5% then fair value of the Put option will increase by Rs. 1.05 Crore, if the volatility of comparable company reduces by 5% then fair value of the Put option will decrease by Rs. 0.78 Crore.

## NOTE 27: FINANCIAL INSTRUMENTS - RISK MANAGEMENT

### Liquidity Risk

Liquidity risk arises from the Trust's inability to meet its cash flow commitments on time. Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Trust closely monitors its liquidity position and deploys a disciplined cash management system.

## NOTE 28. STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFs)

(Rs. in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows received from Portfolio Assets in the form of interest	591.53	608.61
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	5.10	-
Cash flows/ Proceeds from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust*	479.85	449.80
<b>Total cash flow at the InvIT level (A)</b>	<b>1,076.48</b>	<b>1,058.41</b>
Less: re-imbursement of expenses in relation to the Transaction undertaken by the Sponsor on behalf of the Trust and payment of arranger fee.	-	-
Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager, Trustee, Project Manager, Auditor, Valuer, credit rating agency and the Debenture Trustee	(12.74)	(10.50)
Less: Income tax (if applicable) at the standalone Trust level and payment of other statutory dues	(1.19)	(1.00)
<b>Total cash outflows/retention at the Trust level (B)</b>	<b>(13.93)</b>	<b>(11.50)</b>
<b>Net Distributable Cash Flows (C) = (A+B)</b>	<b>1,062.55</b>	<b>1,046.91</b>

\* Includes Rs. 138.10 Crore received as ECS advance from SPV. (Previous period Rs.134.97 Crore)

The Net Distributable Cash Flows ("NDCF") as above is for the year ended March 31, 2024. An amount of Rs. 973.06 Crore has been distributed to unit holders as follows:

	(Rs. in Crore)			
For the year ended March 31, 2024	Return of Capital	Return on Capital	Miscellaneous Income	Total
April 18, 2023	121.74	138.15	-	259.89
July 19, 2023	119.17	144.08	-	263.25
October 18, 2023	118.21	143.78	-	261.99
January 17, 2024	120.72	62.53	4.68	187.93
<b>Total</b>	<b>479.84</b>	<b>488.54</b>	<b>4.68</b>	<b>973.06</b>

	(Rs. in Crore)			
For the year ended March 31, 2023	Return of Capital	Return on Capital	Miscellaneous Income	Total
April 20, 2022	104.64	147.22	-	251.86
July 19, 2022	115.05	151.72	-	266.77
October 18, 2022	115.95	151.21	-	267.16
January 18, 2023	114.16	146.80	-	260.96
<b>Total</b>	<b>449.80</b>	<b>596.95</b>	<b>-</b>	<b>1,046.75</b>

**NOTE 29. TAXES**

In accordance with section 10 (23FC) of the Income Tax Act, the income of business Trust in the form of interest received or receivable from Project SPV is exempt from tax. Accordingly, the Trust is not required to provide any current tax liability. However, for the income earned by the Trust, it will be required to provide for current tax liability.

Reconciliation of tax expenses and book profit multiplied by Tax rate	(Rs. in Crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Profit before Tax</b>	<b>1,080.67</b>	71.16
<b>Tax at the Indian tax rate of 42.74% (Including 37 % surcharge &amp; 4% cess)</b>	<b>461.92</b>	30.42
Tax effects of amounts which are not deductible/ (taxable) in calculating taxable income		
Interest Received and FV Loss/gain on NCD (measured at FVTPL), considered as pass through	<b>(472.48)</b>	(39.05)
Permanent Difference due to Expenses Disallowed since related interest income is exempt	<b>12.00</b>	9.80
<b>Income Tax expense</b>	<b>1.44</b>	1.17

**NOTE 30. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006**

The Trust does not have any overdues outstanding to the micro, small & medium enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006. The identification of micro and small enterprises is based on information available with the management. Hence, additional disclosure requirements under MSME are not applicable for the year under review.

**NOTE 31.**

Contingent liabilities and commitments (to the extent not provided for) are Nil as at March 31, 2024 (Previous year Nil)

**NOTE 32. LONG TERM CONTRACT**

The Trust has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Trust has reviewed and ensured that adequate provision as required under any law / accounting standard has been made in the books of accounts.

**NOTE 33. SEGMENT REPORTING**

The Trust's activities comprise of owning and investing in Infrastructure SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

**NOTE 34. CAPITAL MANAGEMENT**

The Trust adheres to a disciplined Capital Management framework which is underpinned by the following guiding principles:

- Maintain financial strength to ensure AAA or equivalent ratings at individual Trust and subsidiary level.
- Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- Leverage optimally in order to maximize unit holder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

As at March 31, 2024 and March 31, 2023 the Trust has no borrowings, hence net gearing ratio is zero.

**NOTE 35. RATIOS - The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023**

Particulars	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	5.84	0.66	88.70%	[Refer Note 35.2.(i)]
Debt- Equity Ratio[Refer Note 35.1.(i)]	Total Debt	Shareholder's Equity	NA	NA	NA	-
Debt Service Coverage Ratio[Refer Note 35.1.(i)]	Earnings available for debt services	Debt service	NA	NA	NA	-
Return on Equity ratio	Net profit/(loss) after tax	Average Shareholder's Equity	17.79%	1.08%	93.95%	[Refer Note 35.2.(ii)]
Inventory Turnover ratio [Refer Note 35.1.(ii)]	Cost of goods sold	Average Inventory	NA	NA	NA	-
Trade Receivables Turnover ratio[Refer Note 35.1.(iii)]	Revenue from operations	Average Trade Receivables	NA	NA	NA	-
Trade Payables Turnover ratio	Total Purchases of services & other expenses*	Average Trade Payables	7.28	8.36	-14.78%	-
Net Capital Turnover ratio [Refer Note 35.1.(iii)]	Revenue from operations	Working Capital	NA	NA	NA	-
Net Profit Margin[Refer Note 35.1.(iii)]	Net Profit	Revenue from operations	NA	NA	NA	-
Return on Capital Employed	Earnings before Interest & Tax	Capital Employed	17.66%	1.18%	93.30%	[Refer Note 35.2.(ii)]
Return on Investment	Income generated from investments	Time weighted average investments				
On Mutual Fund	-	-	6.98%	5.33%	23.64%	-
On Fixed Deposit	-	-	6.51%	5.70%	12.44%	-

\* Total Purchases of services & other expenses does not include Fair value of NCD measured at FVTPL.



**35.1 Applicability of ratio**

- i) The Trust does not have any debt, therefore Debt-Equity ratio and Debt-Service Coverage ratio is not applicable.
- ii) The Trust is into service industry, hence inventory turnover ratio is not applicable.
- iii) The Trust does not have Revenue from operations. Therefore this ratio is not applicable (also refer note 18).

**35.2 Reason for variance**

- i) Classification for DSRA BG Fixed deposit changed from Non current to Current assets
- ii) Earnings in current year has increased due to Fair valuation gain of NCDs measured at FVTPL leading to higher earnings.

**NOTE 36. SUBSEQUENT EVENTS**

On a review of the business operations of the Trust, review of minutes of meetings, review of the trial balances of the periods subsequent to March 31, 2024, no subsequent events requiring reporting in the financials of Financial year 2023-24 have been identified.

The Net Distributable Cashflows (NDCF) is distributed as follows in the respective manner after March 31, 2024:

(Rs. in Crore)				
Particulars	Return of Capital	Return on Capital	Miscellaneous Income	Total
April 18, 2024	128.14	248.05	1.42	377.61
	<b>128.14</b>	<b>248.05</b>	<b>1.42</b>	<b>377.61</b>

**NOTE 37.**

The previous year figures have been regrouped wherever necessary to make them comparable with those of current year.

**NOTE 38. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements have been approved by the Board of Directors of Investment Manager to the Trust, at their meeting held on May 24, 2024.

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 (Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
 Partner  
 Membership No. 119925

Date : May 24, 2024  
 Place : Navi Mumbai

**For and on behalf of the Board of Directors of**  
**Brookfield India Infrastructure Manager Private Limited**  
 (as Investment Manager of India Infrastructure Trust)

**Akhil Mehrotra**  
 Managing Director of  
 Brookfield India  
 Infrastructure Manager  
 Private Limited  
 DIN: 07197901  
 Date : May 24, 2024  
 Place: Navi Mumbai

**Suchibrata Banerjee**  
 Chief Financial Officer of  
 Brookfield India  
 Infrastructure Manager  
 Private Limited  
 PAN: AIGPB7900G  
 Date : May 24, 2024  
 Place: Navi Mumbai

**Vikas Prakash**  
 Company Secretary &  
 Compliance Officer of  
 Brookfield India  
 Infrastructure Manager  
 Private Limited  
 ACS No. 21117  
 Date : May 24, 2024  
 Place: Navi Mumbai

# **CONSOLIDATED FINANCIAL STATEMENTS**

# INDEPENDENT AUDITOR'S REPORT

To The Unitholders of India Infrastructure Trust

## Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of India Infrastructure Trust ("the Trust") and its subsidiary, Pipeline Infrastructure Limited ("SPV"), (together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows for the year ended on that date, Consolidated Statement of Net Assets at Fair Value as at March 31, 2024, Consolidated Statement of Total Returns at Fair Value and Net Distributable Cash Flows at SPV and Trust Level for the year ended on that date as an additional disclosure in accordance with Securities Exchange Board of India (SEBI) Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, dated July 06, 2023 and notes to the financial statements, including a summary of material accounting policies and other explanatory information (together hereinafter referred as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 read with the SEBI Master Circular number SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, dated July 06, 2023 (the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in Rule 2(l)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations, of the consolidated state of affairs of the Trust as at March 31, 2024, its consolidated profit (including other comprehensive income), its consolidated changes in unitholders' equity, its consolidated cash flows for the year ended March 31, 2024, its consolidated net assets at fair value as at March 31, 2024, its consolidated total returns at fair value and its net distributable cash flows for the year ended on that date and other financial information of the Group.

### 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 (the "ICAI"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibility 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 ICAI and have fulfilled our ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Emphasis of Matter

We draw attention to Note 10.5 of the consolidated financial statements which describes the presentation of "Unit Capital" as "Equity" to comply with InvIT Regulations. Our opinion is not modified in respect of this matter.

### Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current year. This matter was 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 this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Fair Value of net assets of the Trust:</b></p> <p>In accordance with InvIT Regulations, the Trust discloses Consolidated Statement of Net Assets at Fair Value and Consolidated Statement of Total Returns at Fair Value which requires fair valuation of net assets. As at March 31, 2024, fair value of net assets was Rs. 6,573.38 crores.</p> <p>The fair value of net assets of the Trust is determined by an independent valuer using discounted cash flow method.</p> <p>While there are several assumptions that are required to determine the fair value of net assets of the Trust, assumption with the highest degree of estimate, subjectivity and impact on fair value is the discount rate. Auditing this assumption required a high degree of auditor judgment as the estimate made by the independent valuer contain significant measurement uncertainty.</p> <p>Refer Consolidated Statement of Net assets at fair value and Consolidated Statement of total returns at fair value in the consolidated financial statements.</p>	<p><b>Principal audit procedures performed included the following:</b></p> <p>Our audit procedures related to the discount rates used in the computation of fair value of Net Assets of the Trust included the following, among others:</p> <ul style="list-style-type: none"> <li>• We obtained the independent valuer's valuation report to obtain an understanding of the source of information used by the independent valuer in determining the assumption.</li> <li>• We tested the reasonableness of inputs and business assumptions, shared by management with the independent valuer, by comparing it to source information used and judgement exercised in preparing the inputs.</li> <li>• We evaluated the Trust's fair valuation specialist's competence to perform the valuation.</li> <li>• We also involved our internal fair valuation specialists to independently determine fair value of the Net Assets of the Trust as at the balance sheet date, which included assessment of reasonableness of the discount rate used by management in valuation.</li> <li>• We compared the fair value determined by the Trust with that determined by our internal fair valuation specialist to assess the reasonableness of the fair valuation.</li> </ul>

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

- Brookfield India Infrastructure Manager Private Limited ('Investment Manager') acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information included in the 'Report of the Investment Manager' but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The Report of the Investment Manager is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 identified above when it becomes available 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.
- When we read the Report of the Investment Manager, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Board of Directors of the Investment Manager (“the Board”) is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity, consolidated cash flows of the Group for the year ended March 31, 2024, consolidated net assets at fair value as at March 31, 2024, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the Group in conformity with the InvIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations.

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

In preparing the consolidated financial statements, the respective Board of Directors of the Investment Manager and subsidiary included in the Group are responsible for assessing the Trust’s and subsidiary’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 respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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

**Auditor’s Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of such internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 financial information of such entities included in the consolidated financial statements of which we are the independent auditors.

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 consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work, and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Trust and subsidiary included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

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

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

- b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, Consolidated Statement of Net Assets at fair value, Consolidated Statement of Total Return at fair value and the Statement of Net Distributable Cash Flows of the Trust and its subsidiary dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements;
- c) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

**Rajendra Sharma**

Partner

(Membership No. 119925)

(UDIN: 24119925BKHFFZZ3194)

Place: Navi Mumbai

Date: May 24, 2024

# CONSOLIDATED BALANCE SHEET

(Rs. in Crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	1	11,153.56	11,923.89
Capital Work-in-Progress	1	46.59	36.73
Goodwill	1	40.40	40.40
Other Intangible Assets	1	1,514.88	1,618.30
Intangible Assets Under Development	1	3.48	-
<b>Financial Assets</b>			
Other Financial Assets	2	119.79	177.62
Assets for current tax (net)		40.78	55.03
Other Non-Current Assets	2A	9.42	5.93
<b>Total Non-Current Assets</b>		<b>12,928.90</b>	<b>13,857.90</b>
<b>Current Assets</b>			
Inventories	3	208.21	237.34
<b>Financial Assets</b>			
Investments	4	414.85	20.21
Trade Receivables	5	197.52	146.02
Cash and Cash Equivalents	6	602.94	389.68
Other Bank Balances	7	164.36	201.95
Other Financial Assets	8	29.96	26.67
Other Current Assets	9	137.06	39.16
<b>Total Current Assets</b>		<b>1,754.90</b>	<b>1,061.03</b>
<b>Total Assets</b>		<b>14,683.80</b>	<b>14,918.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Unit Capital	10	4,228.29	4,708.15
Other Equity	11	(1,705.83)	(2,034.69)
<b>Total Equity attributable to the unit holders of the Trust</b>		<b>2,522.46</b>	<b>2,673.46</b>
Non- Controlling Interest	12	4,045.17	4,045.17
<b>Total Equity</b>		<b>6,567.63</b>	<b>6,718.63</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	13	6,459.69	7.01
Lease Liabilities	14	16.96	19.79
Other Financial Liabilities	15	97.26	82.80
Deferred Tax Liabilities (Net)	16	-	-
Other Non-Current Liabilities	17	22.52	26.37
<b>Total Non-Current Liabilities</b>		<b>6,596.43</b>	<b>135.97</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Lease Liabilities	14.4	2.82	2.61
Borrowings	19	-	6,445.63
Trade Payables	18		
Total outstanding dues of Micro and Small enterprises		1.39	0.80
Others		162.79	135.34
Other Financial Liabilities	20	1,277.00	776.89
Other Current Liabilities	21	74.36	701.90
Provisions	22	1.38	1.16
<b>Total Current Liabilities</b>		<b>1,519.74</b>	<b>8,064.33</b>
<b>Total Liabilities</b>		<b>8,116.17</b>	<b>8,200.30</b>
<b>Total Equity and Liabilities</b>		<b>14,683.80</b>	<b>14,918.93</b>
<b>See accompanying Notes to the Financial Statements</b>	<b>1 - 40</b>		

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
(Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
Partner  
Membership No. 119925

**Date : May 24, 2024**  
**Place : Navi Mumbai**

**For and on behalf of the Board of Directors of**  
**Brookfield India Infrastructure Manager Private Limited**  
(as Investment Manager of India Infrastructure Trust)

**Akhil Mehrotra**  
Managing Director of  
Brookfield India  
Infrastructure Manager  
Private Limited  
DIN: 07197901  
Place: Navi Mumbai

**Suchibrata Banerjee**  
Chief Financial Officer of  
Brookfield India  
Infrastructure Manager  
Private Limited  
PAN: AIGPB7900G  
Place: Navi Mumbai

**Vikas Prakash**  
Company Secretary &  
Compliance Officer of  
Brookfield India  
Infrastructure Manager  
Private Limited  
ACS No. 21117  
Place: Navi Mumbai



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Rs. in Crore)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from Operations	23	3,666.36	2,744.02
Interest	23A	37.30	22.37
Realised Gain on Mutual Funds		20.39	26.40
Other Income	23B	118.65	10.35
<b>Total Income</b>		<b>3,842.70</b>	<b>2,803.14</b>
<b>EXPENSES</b>			
Valuation Expenses		0.23	0.23
Audit Fees	26.2	4.49	4.15
Insurance and Security Expenses		53.51	47.42
Employee Benefits Expense	24	36.01	34.56
Project Management Fees		1.77	1.77
Investment Management Fees		2.83	2.83
Trustee Fee		0.21	0.21
Depreciation on property, plant and equipment	1	810.97	851.14
Amortization of intangible assets	1	106.07	102.22
Finance Costs	25	603.22	587.69
Custodian fees		0.38	0.40
Repairs and maintenance		141.96	68.43
Loss on sale of assets (net)		0.02	0.03
Fair value loss on put option		1.00	1.30
Fair value loss on call option		14.46	12.68
Other Expenses	26	1,242.11	540.83
<b>Total Expenses</b>		<b>3,019.24</b>	<b>2,255.89</b>
<b>Profit Before Tax</b>		<b>823.46</b>	<b>547.25</b>
<b>Tax Expenses</b>			
Current Tax	29	1.44	1.17
Deferred Tax	16	-	-
<b>Profit for the year</b>		<b>822.02</b>	<b>546.08</b>
<b>Other Comprehensive Income / (Loss)</b>			
Items that will not be reclassified to statement of profit and loss			
Actuarial gain/ (loss) during the period		0.06	(0.51)
Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	-
<b>Total Comprehensive Income for the year</b>		<b>822.08</b>	<b>545.57</b>
<b>Profit for the year attributable to:</b>			
Unit holders of the Trust		822.02	546.08
Non- Controlling Interest		-	-
<b>Total Comprehensive Income attributable to</b>			
Unit holders of the Trust		822.08	545.57
Non- Controlling Interest		-	-
Earnings per unit			
- For Basic (Rs.)	27	12.38	8.22
- For Diluted (Rs.)	27	12.38	8.22
<b>See accompanying Notes to the Financial Statements</b>	<b>1 - 40</b>		

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 (Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
 Partner  
 Membership No. 119925

**Date : May 24, 2024**  
**Place : Navi Mumbai**

**For and on behalf of the Board of Directors of**  
**Brookfield India Infrastructure Manager Private Limited**  
 (as Investment Manager of India Infrastructure Trust)

**Akhil Mehrotra**  
 Managing Director of  
 Brookfield India  
 Infrastructure Manager  
 Private Limited  
 DIN: 07197901  
 Place: Navi Mumbai

**Suchibrata Banerjee**  
 Chief Financial Officer of  
 Brookfield India  
 Infrastructure Manager  
 Private Limited  
 PAN: AIGPB7900G  
 Place: Navi Mumbai

**Vikas Prakash**  
 Company Secretary &  
 Compliance Officer of  
 Brookfield India  
 Infrastructure Manager  
 Private Limited  
 ACS No. 21117  
 Place: Navi Mumbai

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## A. UNIT CAPITAL (Refer Note 10)

(Rs. in Crore)

Particulars	Balance as at 1st April, 2023	Changes in Unit Capital during the year 2023-24*	Balance as at 31st March, 2024
Unit Capital	4,708.15	(479.86)	4,228.29

(Rs. in Crore)

Particulars	Balance as at 1st April, 2022	Changes in Unit Capital during the year 2022-23*	Balance as at 31st March, 2023
Unit Capital	5,157.95	(449.80)	4,708.15

\*Return of Unit Capital

## B. OTHER EQUITY

(Refer Note 11 and 12)

(Rs. in Crore)

Particulars	Attributable to the unit holders of the Trust			Non-Controlling Interest	Total
	Retained Earnings	Other Comprehensive Income / (Loss)	Total		
Balance as at the beginning of the reporting year i.e. April 1, 2023	(2,034.54)	(0.15)	(2,034.69)	4,045.17	2,010.48
Total Comprehensive Income / (Loss) for the year	822.02	0.06	822.08	-	822.08
Return on Capital #	(488.54)	-	(488.54)	-	(488.54)
Other Income Distribution #	(4.68)	-	(4.68)	-	(4.68)
<b>Balance as at the end of the reporting year i.e. March 31, 2024</b>	<b>(1,705.74)</b>	<b>(0.09)</b>	<b>(1,705.83)</b>	<b>4,045.17</b>	<b>2,339.34</b>
Balance as at the beginning of the reporting year i.e. April 1, 2022	(1,983.67)	0.36	(1,983.31)	4,045.17	2,061.86
Total Comprehensive Income / (Loss) for the year	546.08	(0.51)	545.57	-	545.57
Return on Capital #	(596.95)	-	(596.95)	-	(596.95)
Other Income Distribution #	-	-	-	-	(6.61)
Balance as at the end of the reporting year i.e. March 31, 2023	(2,034.54)	(0.15)	(2,034.69)	4,045.17	2,010.48

# Return on capital and other income distribution during the year as per NDCF duly approved by investment manager which include interest and other income. Refer NDCF Note 35.

See accompanying Notes to the Financial Statements 1 - 40

As per our report of even date  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
Partner  
Membership No. 119925

Date : May 24, 2024  
Place : Navi Mumbai

For and on behalf of the Board of Directors of  
Brookfield India Infrastructure Manager Private Limited  
(as Investment Manager of India Infrastructure Trust)

**Akhil Mehrotra**  
Managing Director of  
Brookfield India  
Infrastructure Manager  
Private Limited  
DIN: 07197901  
Place: Navi Mumbai

**Suchibrata Banerjee**  
Chief Financial Officer of  
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Private Limited  
PAN: AIGPB7900G  
Place: Navi Mumbai

**Vikas Prakash**  
Company Secretary &  
Compliance Officer of  
Brookfield India  
Infrastructure Manager  
Private Limited  
ACS No. 21117  
Place: Navi Mumbai

# CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(Rs. in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	823.46	547.25
Adjusted for:		
Depreciation and Amortisation	917.04	953.36
Gain on sale of Current Investments (Net)	(21.76)	(26.39)
Fair value (gain)/loss on valuation of Current Investments (Net)	(2.73)	3.10
Loss on Sale of Fixed Assets	0.02	0.02
(Reversal)/ Provision for diminution in inventory	-	0.42
Fair Value measurement loss on put option	1.00	1.30
Fair Value measurement loss on call option	14.46	12.68
Interest Income	(36.90)	(17.73)
Finance Costs	603.22	587.69
	1,474.35	1,514.45
<b>Operating profit before working capital changes</b>	<b>2,297.81</b>	<b>2,061.70</b>
Adjusted for:		
Trade and Other Receivables	(156.56)	(10.76)
Inventories	29.13	(101.09)
Trade and Other Payables	(104.61)	(381.05)
	(232.04)	(492.90)
<b>Cash Generated from Operations</b>	<b>2,065.77</b>	<b>1,568.80</b>
Tax refund received	12.89	31.10
<b>Net Cash generated from Operating Activities</b>	<b>2,078.66</b>	<b>1,599.90</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment, capital work-in-progress and Intangibles	(56.77)	(46.77)
Proceeds from disposal of Property, Plant and Equipment, capital work-in-progress and Intangibles	0.07	-
Fixed deposits placed with Banks	(9,322.31)	(180.90)
Fixed deposits with Banks redeemed	9,415.36	40.70
Purchase of Current Investments	(3,259.95)	(3,779.62)
Sale of Current Investments	2,889.79	4,377.49
Interest Received	38.63	5.57
<b>Net Cash generated/ (used) from Investing Activities</b>	<b>(295.18)</b>	<b>416.47</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	6,452.00	-
Repayment of Borrowings	(6,452.00)	-
Return of Capital to Unit holders	(479.85)	(449.80)
Return on Capital to Unit holders	(488.54)	(596.95)
Distribution of miscellaneous income to Unit holders	(4.68)	-
Principal repayment on Lease liability	(2.62)	(2.02)
Interest paid on Lease liability	(1.68)	(2.27)
Interest paid	(592.85)	(577.40)
<b>Net Cash used in Financing Activities</b>	<b>(1,570.22)</b>	<b>(1,628.44)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>213.26</b>	<b>387.93</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>389.68</b>	<b>1.76</b>
<b>Closing Balance of Cash and Cash Equivalents (Refer Note 6)</b>	<b>602.94</b>	<b>389.68</b>
Refer Note 13.6 and 14.6 for Change In Liability Arising from Financing Activities		
See accompanying Notes to the Financial Statements	1 - 40	

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 (Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
 Partner  
 Membership No. 119925

**Date : May 24, 2024**  
**Place : Navi Mumbai**

**For and on behalf of the Board of Directors of**  
**Brookfield India Infrastructure Manager Private Limited**  
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**Akhil Mehrotra**  
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 ACS No. 21117  
 Place: Navi Mumbai

## Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value

Disclosures pursuant to Section H of Chapter 3 of the SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 issued under the SEBI (Infrastructure Investment Trusts) Regulations, 2014.

## Consolidated Statement of Net Assets at Fair Value as at March 31, 2024

Particulars	(Rs. in Crore)			
	As at March 31, 2024		As at March 31, 2023	
	Book Value	Fair Value	Book Value	Fair Value
A. Assets	14,683.80	14,689.55	14,918.93	14,986.00
B. Liabilities	8,116.17	8,116.17	8,200.30	8,200.30
C. Net Assets (A-B)	6,567.63	6,573.38	6,718.63	6,785.70
D. Number of Units (No. in Crore)	66.40	66.40	66.40	66.40
E. NAV (C/D)	98.91	99.00	101.18	102.19

Note 1. The Trust has only one Project i.e. PIL. Hence separate project wise breakup of fair value of assets are not given.

## Consolidated Statement of Total Returns at Fair Value for the year ended March 31, 2024

Particulars	(Rs. in Crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
Total Comprehensive Income (As per the Statement of Profit and Loss).	822.08	545.57
Add/(less): Other Changes in Fair Value (if cost model is followed) not recognized in Total Comprehensive Income.	(61.32)	(39.63)
<b>Total Return</b>	<b>760.76</b>	<b>505.94</b>

Fair value of assets for the year then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 (Firm's Registration No.117366W/W-100018)

**Rajendra Sharma**  
 Partner  
 Membership No. 119925

**Date : May 24, 2024**  
**Place : Navi Mumbai**

**For and on behalf of the Board of Directors of**  
**Brookfield India Infrastructure Manager Private Limited**  
 (as Investment Manager of India Infrastructure Trust)

**Akhil Mehrotra**  
 Managing Director of  
 Brookfield India  
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 DIN: 07197901  
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**Suchibrata Banerjee**  
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 Infrastructure Manager  
 Private Limited  
 PAN: AIGPB7900G  
 Place: Navi Mumbai

**Vikas Prakash**  
 Company Secretary &  
 Compliance Officer of  
 Brookfield India  
 Infrastructure Manager  
 Private Limited  
 ACS No. 21117  
 Place: Navi Mumbai

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

### A. Group Information

The Consolidated financial statements comprise financial statements of India Infrastructure Trust ("Trust/InvIT") and its subsidiary "Pipeline Infrastructure Limited" (collectively, the Group) for year ended March 31, 2024.

India Infrastructure Trust ("Trust"/"InvIT") is registered as a contributory irrevocable trust set up under the Indian Trusts Act, 1882 on November 22, 2018, and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on January 23, 2019 having registration number IN/InvIT/18-19/00008.

Effective May 6, 2022, the registered office of the Trust has been changed from Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai, Maharashtra - 400051, India to Seawoods Grand Central, Tower-1, 3rd Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Navi Mumbai, Thane, Maharashtra - 400706, India.

Effective April 1, 2020, the "Investment Manager" of the Trust is Brookfield India Infrastructure Manager Private Limited. The registered office of the Investment Manager has been changed from Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai, Maharashtra - 400051 India to Seawoods Grand Central, Tower-1, 3rd Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Navi Mumbai, Thane, Maharashtra - 400706, India effective April 29, 2024.

The investment objectives of the Trust are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI (Infrastructure investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("SEBI InvIT Regulations") by raising funds and making investments in accordance with the SEBI InvIT Regulations and the Trust Deed. The InvIT has received listing and trading approval for its Units w.e.f. March 20, 2019 from the Stock Exchange vide BSE notice dated March 19, 2019.

On March 22, 2019 Trust acquired 100% controlling interest in Pipeline Infrastructure Limited ("PIL" or "SPV" or "Subsidiary") from Reliance Industries Holding Private Limited (RIHPL). PIL owns and operates the ~1,480 km natural gas transmission pipeline, including dedicated lines, (together with compressor stations and operation centres) (the "Pipeline") from Kakinada in Andhra Pradesh to Bharuch in Gujarat.

### B. Material Accounting Policies

#### B.1 Basis of Accounting and Preparation of Consolidated Financial Statements

The Consolidated Financial Statements of India Infrastructure Trust comprises the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Unitholders' Equity for year ended March 31, 2024 and a summary of material accounting policies and other explanatory information and Statement of Net Distributable Cash Flows (NDCFs) at Trust (IIT) and SPV (PIL) Level for the year ended March 31, 2024.

Additionally, it includes the Statement of Net Assets at Fair Value as at March 31, 2024, the Statement of Total Returns at Fair Value for the year ended March 31, 2024 and other additional financial disclosures as required under the SEBI (Infrastructure Investment Trusts) Regulations, 2014.

The Consolidated Financial Statements were authorized for issue in accordance with resolutions passed by the Board of Directors of the Manager on behalf of the India Infrastructure Trust on May 24, 2024.

The Consolidated Financial Statements have been prepared in accordance with the requirements of Paragraph 4.6 of Chapter 4, Section A of the SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 ("the SEBI Master Circular"); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations (Refer Note 10.5 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

The Trust's Consolidated Financial Statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Crore upto two decimal places, except when otherwise indicated.

Statement of compliance to Ind AS: These Consolidated financial statements for the year ended March 31, 2024 have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the InvIT regulations as more fully described above and in Note 10.5 to the consolidated financial statements.

## B.2 Basis of consolidation

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Trust and its subsidiary as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Trust, i.e., period ended on March 31, 2024.

### Consolidation Procedure :

- i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

## B.3 Critical Accounting Judgements and Key Sources of Estimation uncertainties

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. 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.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment and impairment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below:

- i) Property, plant and equipment and Intangible assets- useful life and impairment, Refer Note B.4 (a) & (b) and Note 1.
- ii) Deferred tax liabilities, Refer Note B.4 (j) and Note 16 .
- iii) Financial Instruments- Refer Note B.4 (r) and Note 33 .



## B.4 Summary of Material Accounting Policies

### (a) Property, plant and equipment:

- i) Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Such cost includes purchase price and any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the property, plant and equipment.
- ii) Line pack gas has been considered as part of Property, plant and equipment.
- iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably.
- iv) Depreciation on Property, plant and equipment is provided on straight line method over the useful life as per Schedule II to the Companies Act, 2013, except in respect of following assets where useful life is as per technical evaluation:

Buildings - 4 to 20 years

Plant and Machinery - 4 to 20 years

Residual value of certain Plant and Machinery has been considered as NIL based on technical valuation.

Any additions to above category of assets will be depreciated over balance useful life. Leasehold land is amortised over the period of lease; Line pack gas is not depreciated. In respect of additions or extensions forming an integral part of existing assets, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of property, plant and equipment, depreciation is provided over the residual life of the respective assets. Freehold land is not depreciated.

- v) The estimated useful lives, residual values, depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.
- vi) An item of property, plant and equipment is derecognised upon disposal when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset. It is recognised in the statement of profit and loss.

### (b) Intangible Assets

Intangible Assets with finite useful lives that are acquired separately are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses. The cost includes purchase price (net of recoverable taxes, trade discount and rebates) and any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised. Amortisation is recognised on straight- line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimates being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Computer software is amortised over a period of 5 years on straight line method except for licenses with perpetual life which have been restricted to period of Pipeline Usage Agreement.

#### Intangible Assets acquired in business combination:

Intangible Assets acquired in business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial

recognition, intangible assets acquired in business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Rights under Pipeline Authorisation are amortized over a period of twenty years, being the economic useful life.

**(c) Finance Costs**

Finance costs, that are directly attributable to the acquisition or construction of qualifying assets, are capitalised as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**(d) Inventories**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including incidental expenses net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of stores and spares, trading and other items are determined on weighted average basis.

**(e) Cash and cash equivalents**

Cash and cash equivalents includes cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

**(f) Impairment of Non - Financial Assets - property, plant and equipment and intangible assets**

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting periods is reversed if there has been an increase in the recoverable value due to a change in the estimate.

**(g) Leases**

- (i) The Group's lease asset classes primarily consist of leases for office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.



Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

- (ii) Short term leases and leases of low value assets The Group has elected not to recognise right-of-use asset ("ROU") and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as expenses on a straight line basis over the lease term.

#### (h) Provisions and Contingent liabilities

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### (i) Employee Benefits

Employee benefits include contributions to provident fund, gratuity fund and compensated absences.

##### Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

##### Post-Employment Benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### Defined Benefit Plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employments are charged to the Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### (j) Tax Expense

The tax expense for the period comprises current and deferred tax. Tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

**Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. The Group uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**(k) Foreign Currency Transactions and Translation**

- i) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.
- ii) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss. The exchange differences arising as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.
- iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

**(l) Revenue Recognition**

The Group follows a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 provides for a single model for accounting for revenue arising from contract with customers, focusing on the identification & satisfaction of performance obligations.

- i) The Group earns revenue primarily from transportation of gas. Income from transportation of gas is recognised on completion of delivery in respect of the quantity of gas delivered to customers. In respect of quantity of gas received from customers under deferred delivery basis, income for the quantity of gas retained in the pipeline is recognised by way of deferred delivery charges for the period of holding the gas in the pipeline at a mutually agreed rate. Income is accounted net of GST. Revenue is recognized point in time or over a point of time, as applicable.
- ii) Amount received upfront in lumpsum under agreement from customers is recognised on capitalisation and when performance obligation is completed.
- iii) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

- iv) Contracted capacity payments received from a party and other billing in excess of revenues, are classified as contract liabilities (which we refer to as income received in advance), until the services are delivered to the customers.

**(m) Current and non-current classification**

Assets and liabilities are presented in Balance Sheet based on current and non-current classification. Non-current assets and current assets, non-current liabilities and current liabilities are determined in accordance with Ind AS 1 notified by MCA.

An asset is classified as current when it is

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) 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 classified as current when it is

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) 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.

**(n) Fair value measurement**

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. 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.

Valuation techniques used are those that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized 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.

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these 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 liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under Note 33.

**(o) Off-setting financial instrument**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or counterparty.

**(p) Business Combination**

Acquisitions of the businesses are accounted for by using the acquisition method. Consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets acquired by the Trust, liabilities incurred by the Trust to the former owners of the acquiree and the equity interest issued by Trust in exchange of control by the acquiree. Acquisition related costs are generally recognised in the statement of profit and loss as incurred. Goodwill is measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Trust reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date. The measurement period is the period from the date of acquisition to the date Trust obtains complete information about facts and circumstances that existed as of the acquisition date. The measurement period is subject to a maximum of one year subsequent to the acquisition date.

**(q) Earnings per unit**

Basic earnings per unit is computed using the net profit for the period attributable to the unitholders' and weighted average number of units outstanding during the period.

Diluted earnings per unit is computed using the net profit for the period attributable to unitholder' and weighted average number of units and potential units outstanding during the period including unit options, convertible preference units and debentures, except where the result would be anti-dilutive. Potential units that are converted during the period are included in the calculation of diluted earnings per unit, from the beginning of the period or date of issuance of such potential units, to the date of conversion. There are no dilutive units issued in the case of the Trust.

**(r) Consolidated Statements of net assets at fair value**

The disclosure of Consolidated Statement of Net Assets at Fair Value comprises of the fair values of the total assets and fair values of the total liabilities of individual Special Purpose Vehicle (PIL) and the Trust. The fair value of the assets are reviewed annually by Investment manager, derived based

on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations. The independent valuers are leading valuers with a recognized and relevant professional qualification as per InvIT regulations and valuation assumptions used are reviewed by Investment Manager at least once a year.

**(s) Consolidated Statements of Total Returns at Fair Value**

The disclosure of Consolidated Statement of Total Returns at Fair Value comprises of the total Comprehensive Income as per the Consolidated Statement of Profit and Loss and Other Changes in Fair Value (e.g. property, property, plant & equipment) not recognized in Total Comprehensive Income. Other changes in fair value is derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

**(t) Financial instruments**

**i) Financial Assets**

**A. Initial recognition and measurement:**

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**B. Classification and Subsequent measurement**

**a) Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at FVTPL unless they are measured at amortised cost or at FVTOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at FVTPL are immediately recognised in statement of profit and loss. Investments in mutual funds are measured at FVTPL. However, the trade receivables that do not contain a significant financing component, are measured at transaction price.

**d) Impairment of financial assets**

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in

which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit and loss.

ii) **Financial liabilities**

**A. Initial recognition and measurement:**

Financial liabilities are measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Profit or Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Profit or Loss. Any gain or loss on derecognition is also recognised in Profit or Loss.

iii) **Derecognition of financial instruments**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

iv) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

v) **Compound Financial Instruments**

The component parts of compound financial instruments issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the compound financial instruments, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the compound financial instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the instrument using the effective interest method.

**(u) Goodwill on Consolidation**

Goodwill that has an indefinite useful life are not subject to amortization and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. And impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. For the purpose of assessing impairments, assets are grouped at the lowest levels for which there are separately identifiable cashflows which are largely independent of the cash inflows from other assets or group of assets (Cash generating units).

**(v) Net distributable cash flows to unit holders**

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Pipeline InvIT Committee constituted by the Board of Directors of the Investment Manager (upto December 12, 2023) and Board of Directors of the Investment Manager (w.e.f. December 12, 2023). A corresponding amount is recognised directly in equity.

**(w) New and amended Indian Accounting Standards that are effective for the current year:**

In the current year, the Group has applied the following amendments to Ind AS issued by the Ministry of Corporate Affairs that are mandatorily effective for an accounting period that begins on or after March 31, 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 1 Presentation of Financial Statements Disclosure of Accounting Policies - The Group has adopted the amendments to Ind AS 1 for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

Amendments to Ind AS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction - The Group has adopted the amendments to Ind AS 12 for the first time in the current year. The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit. This amendment did not have impact on the Financial Statements of the Group.

Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates - The Group has adopted the amendments to Ind AS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".



**NOTE 1. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

(Rs. in Crore)

Description	GROSS CARRYING AMOUNT				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT	
	As at 01.04.2023	Additions	Deductions/ Adjustments	As at 31.03.2024	As at 01.04.2023	For the year	Deductions/ Adjustments	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
<b>Property, Plant and Equipment</b>										
<b>Own Assets</b>										
Freehold Land	94.85	-	-	94.85	-	-	-	-	94.85	94.85
Buildings	205.80	3.62	-	209.42	43.10	11.54	-	54.64	154.78	162.70
Plant and Machinery	14,606.01	34.58	0.11	14,640.48	3,056.05	791.20	0.04	3,847.21	10,793.27	11,549.97
Furniture and Fixtures	2.81	0.20	0.00	3.01	1.36	0.19	-	1.55	1.46	1.45
Office Equipment	23.92	2.35	1.65	24.62	7.10	5.04	1.63	10.51	14.11	16.83
Line pack gas	78.13	-	-	78.13	-	-	-	-	78.13	78.13
<b>Sub-Total</b>	<b>15,011.52</b>	<b>40.75</b>	<b>1.76</b>	<b>15,050.51</b>	<b>3,107.61</b>	<b>807.97</b>	<b>1.67</b>	<b>3,913.91</b>	<b>11,136.60</b>	<b>11,903.93</b>
<b>Right-of-Use Assets</b>										
Buildings	27.66	-	-	27.66	9.03	2.98	-	12.01	15.65	18.63
Leasehold Land	1.40	-	-	1.40	0.07	0.02	-	0.09	1.31	1.33
<b>Sub-Total</b>	<b>29.06</b>	<b>-</b>	<b>-</b>	<b>29.06</b>	<b>9.10</b>	<b>3.00</b>	<b>-</b>	<b>12.10</b>	<b>16.96</b>	<b>19.96</b>
<b>Total (A)</b>	<b>15,040.58</b>	<b>40.75</b>	<b>1.76</b>	<b>15,079.57</b>	<b>3,116.71</b>	<b>810.97</b>	<b>1.67</b>	<b>3,926.01</b>	<b>11,153.56</b>	<b>11,923.89</b>
<b>Intangible assets</b>										
Software*	29.07	2.65	-	31.72	5.66	6.23	-	11.89	19.83	23.41
Pipeline Authorisation	1,996.70	-	-	1,996.70	401.81	99.84	-	501.65	1,495.05	1,594.89
<b>Total (B)</b>	<b>2,025.77</b>	<b>2.65</b>	<b>-</b>	<b>2,028.42</b>	<b>407.47</b>	<b>106.07</b>	<b>-</b>	<b>513.54</b>	<b>1,514.88</b>	<b>1,618.30</b>
<b>TOTAL (A+B)</b>	<b>17,066.35</b>	<b>43.40</b>	<b>1.76</b>	<b>17,107.99</b>	<b>3,524.18</b>	<b>917.04</b>	<b>1.67</b>	<b>4,439.55</b>	<b>12,668.44</b>	<b>13,542.19</b>
<b>Capital Work-in-Progress</b>									<b>46.59</b>	<b>36.73</b>
<b>Intangible Assets Under Development</b>									<b>3.48</b>	<b>-</b>

\* Other than internally generated

(Rs. in Crore)

Description	GROSS CARRYING AMOUNT				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT	
	As at 01.04.2022	Additions	Deductions/ Adjustments	As at 31.03.2023	As at 01.04.2022	For the year	Deductions/ Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
<b>Property, Plant and Equipment</b>										
<b>Own Assets</b>										
Freehold Land	94.85	-	-	94.85	-	-	-	-	94.85	94.85
Buildings	203.36	2.44	-	205.80	31.69	11.41	-	43.10	162.70	171.67
Plant and Machinery	14,547.48	58.56	0.03	14,606.01	2,223.78	832.28	-	3,056.05	11,549.97	12,323.70
Furniture and Fixtures	2.81	0.00	-	2.81	1.12	0.24	-	1.36	1.45	1.69
Office Equipment	18.59	5.36	0.03	23.92	3.12	4.00	-	7.10	16.83	15.47
Line pack gas	78.13	-	-	78.13	-	-	-	-	78.13	78.13
<b>Sub-Total</b>	<b>14,945.22</b>	<b>66.36</b>	<b>0.06</b>	<b>15,011.52</b>	<b>2,259.71</b>	<b>847.93</b>	<b>-</b>	<b>3,107.61</b>	<b>11,903.93</b>	<b>12,685.51</b>



(Rs. in Crore)

Description	GROSS CARRYING AMOUNT				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT	
	As at 01.04.2022	Additions	Deductions/ Adjustments	As at 31.03.2023	As at 01.04.2022	For the year	Deductions/ Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Right-of-Use Assets										
Buildings	30.05	-	2.39	27.66	5.84	3.19	-	9.03	18.63	24.21
Leasehold Land	1.40	-	-	1.40	0.05	0.02	-	0.07	1.33	1.35
<b>Sub-Total</b>	<b>31.45</b>	<b>-</b>	<b>2.39</b>	<b>29.06</b>	<b>5.89</b>	<b>3.21</b>	<b>-</b>	<b>9.10</b>	<b>19.96</b>	<b>25.56</b>
<b>Total (A)</b>	<b>14,976.67</b>	<b>66.36</b>	<b>2.45</b>	<b>15,040.58</b>	<b>2,265.60</b>	<b>851.14</b>	<b>0.03</b>	<b>3,116.71</b>	<b>11,923.89</b>	<b>12,711.07</b>
Intangible assets										
Software*	12.93	16.14	-	29.07	3.28	2.38	-	5.66	23.41	9.65
Pipeline Authorisation	1,996.70	-	-	1,996.70	301.97	99.84	-	401.81	1,594.89	1,694.73
<b>Total (B)</b>	<b>2,009.63</b>	<b>16.14</b>	<b>-</b>	<b>2,025.77</b>	<b>305.25</b>	<b>102.22</b>	<b>-</b>	<b>407.47</b>	<b>1,618.30</b>	<b>1,704.38</b>
<b>TOTAL (A+B)</b>	<b>16,986.30</b>	<b>82.50</b>	<b>2.45</b>	<b>17,066.35</b>	<b>2,570.85</b>	<b>953.36</b>	<b>0.03</b>	<b>3,524.18</b>	<b>13,542.19</b>	<b>14,415.45</b>
Capital Work-in-Progress									36.73	64.40
Intangible Assets Under Development									-	8.02

\* Other than internally generated

1.1 Building includes Rs. 52.99 Crore (Previous year Rs. 56.52 Crore) being building constructed on land not owned by the SPV.

1.2 Refer Note 30 for capital commitments.

1.3 Refer Note 13.1 for properties mortgaged / hypothecated.

1.4 The balance useful life as on March 31, 2024 for rights under pipeline authorisation is 14 years 3 months.

**Goodwill**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
<b>Goodwill (Refer note 1.6)</b>		
Opening Balance	40.40	40.40
Add: Additions / (Deletions)(Refer Note 33)	-	-
Closing Balance	40.40	40.40

1.5 Title deeds of Immovable Properties not held in name of the SPV

(Rs. in Crore)

Description of the Property/ Relevant line item in the Balance Sheet	Gross Carrying Amt	Held in the name of	Whether Promoter, Director or their relative or employee	Property held since which date	Reasons for not being held in the name of the SPV
Freehold Land	59.85	Reliance Gas Transportation Infrastructure Ltd (RGITIL)	No	2018-19	Applied for Mutation. Matter is pending before the Revenue authorities.
Freehold Land	0.16	Santosh Tukaram Dhage	No	2018-19	Transfer is in process
Freehold Land	0.18	Reliance Gas Transportation Infrastructure Ltd (RGITIL)	No	2018-19	Transfer is in process
Freehold Land	0.14	Nandakumar Sonawane	No	2018-19	Transfer is in process
Freehold Land	0.05	Javed Gafur Munde, Uzer Ahemed Nazir, Asif Abdul Gafur Munde, Mukthyar Abdul Gafur Munde.	No	2018-19	Transfer is in process

Description of the Property/ Relevant line item in the Balance Sheet	Gross Carrying Amt	Held in the name of	Whether Promoter, Director or their relative or employee	Property held since which date	Reasons for not being held in the name of the SPV
Freehold Land	0.11	Mangiben Nathulal, Thakorbbhai Nathubhai, Naginbhai Nathubhai, Bhikhiben Nathubhai, Manjuben Soma, Kanubhai Somabhai, Manubhai Somabhai, Manjuben Chotubhai, Lakshmanbhai Chotubhai, Kokilaben Rathod, Kalidas Rathod, Revaben Mathurbhai, Laljibhai Mathurbhai, Thakorbbhai Mathurbhai, Bhikhiben Rathod, Ramilaben Rathod, Jhiniben Rathod, Prafulbhai Rathod, Geetaben Rathod, Savitaben Chauhan, Rajaben Chauhan, Ashokji Thakor, Ushaben Chauhan, Shailesh Chauhan, Kalpesh Chauhan.	No	2018-19	Transfer is in process
Leasehold Land	1.40	Reliance Gas Transportation Infrastructure Ltd	No	2018-19	Applied for transfer of Lease.
<b>Total</b>	<b>61.89</b>				

1.6 As at March 31, 2024 and March 31, 2023, the recoverable amount was computed using the discounted cashflow method for which the estimated cashflows for the balance period of pipeline usage authorisation were developed using internal forecasts and a discount rate of 17.83% (previous year 18.15%). The Group has considered the levelized tariff rate as determined by PNGRB vide its order dated March 12, 2019 and the volumes as determined by the Management on the basis of inputs from technical experts in this area.

The management believes that any possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit due to guaranteed cashflows under Pipeline Usage Agreement (PUA) .

Based on the above, no impairment was identified as of March 31, 2024 and March 31, 2023 as the recoverable value exceeded the carrying value.

1.7 No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

#### 1.8 Capital work-in-progress (CWIP) ageing schedule for the year ended March 31, 2024 and March 31, 2023

(Rs. in Crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	29.21	9.40	7.49	0.49	46.59
<b>As at March 31, 2024</b>	<b>29.21</b>	<b>9.40</b>	<b>7.49</b>	<b>0.49</b>	<b>46.59</b>
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	23.35	11.32	1.61	0.45	36.73
<b>As at March 31, 2023</b>	<b>23.35</b>	<b>11.32</b>	<b>1.61</b>	<b>0.45</b>	<b>36.73</b>

Note: The Group does not have any Capital-work-in progress which are suspended or whose completion is overdue or has exceeded its cost compared to its original plan.

**1.9 Intangible assets under development ageing schedule for the year ended March 31, 2024 and March 31, 2023**

Particulars	Amount in intangible assets under development for a period of				(Rs. in Crore)
	Total				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	3.48	-	-	-	<b>3.48</b>
<b>As at March 31, 2024</b>	<b>3.48</b>	-	-	-	<b>3.48</b>
Particulars	Amount in intangible assets under development for a period of				(Rs. in Crore)
	Total				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
<b>As at March 31, 2023</b>	-	-	-	-	-

**NOTE 2. NON-CURRENT FINANCIAL ASSETS**

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured and Considered Good)		
Loans & Advances	-	-
Security Deposits	<b>1.97</b>	1.96
Other Bank Balances (Refer Note 2.1)	<b>116.40</b>	173.24
Fair Valuation of Put Option (Refer Note 2.2)	<b>1.42</b>	2.42
<b>TOTAL</b>	<b>119.79</b>	177.62

2.1 Includes Rs. 5.20 Crore (Previous year Rs. 173.24 Crore) bank deposits held as security against guarantee, DSRA requirements and other commitments. The balance is unrestricted.

2.2 As per the terms agreed by the Trust, the Investment Manager, Pipeline Infrastructure Limited (PIL), Reliance Industries Holdings Private Limited (RIHPL) and Reliance Industries Limited (RIL), wherein the Trust has right, but not the obligation, to sell its entire stake of the Trust in PIL to RIL after a specific term or occurrence of certain events for a consideration of Rs. 50 Crore or such other amount determined by the option valuer, whichever is lower.

**NOTE 2A. OTHR NON-CURRENT ASSETS**

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	<b>9.42</b>	2.43
Other Receivables	-	3.50
<b>TOTAL</b>	<b>9.42</b>	5.93

**NOTE 3. INVENTORIES**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Stock of Natural Gas and Fuel	46.52	102.73
Stores and Spares	161.69	134.61
<b>TOTAL</b>	<b>208.21</b>	<b>237.34</b>

3.1 Inventories are measured at lower of cost or net realisable value.

**NOTE 4. CURRENT INVESTMENTS**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Investments measured at Fair Value through Profit and Loss		
In Mutual Funds - Unquoted	414.85	20.21
<b>TOTAL</b>	<b>414.85</b>	<b>20.21</b>

**NOTE 5. TRADE RECEIVABLES**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
(Unsecured)		
Trade Receivables (considered good)	197.52	146.02
Trade Receivables (credit impaired)	15.07	15.07
Less: Provision for doubtful debts	15.07	15.07
<b>TOTAL</b>	<b>197.52</b>	<b>146.02</b>

**Of the above Trade Receivables amounts due from related parties are as below:**

	As at March 31, 2024	As at March 31, 2023
Trade Receivables due from related parties	9.10	7.54
Less: Provision for doubtful debts	-	-
<b>Total Trade Receivables due from related parties</b>	<b>9.10</b>	<b>7.54</b>

5.1 The credit period on transportation services provided to the customers is 4 business days from day of invoicing. In case of default, the customers are charged interest in accordance with the terms of the agreement with them.

5.2 Trade Receivables Ageing Schedule for the year ended March 31, 2024 and March 31, 2023

Outstanding for following periods from due date of payment.

(Rs. in Crore)

Particulars	Not Due	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	197.52	-	-	-	-	-	197.52
Disputed Trade receivables – credit impaired	-	-	-	-	-	15.07	15.07
<b>Total</b>	<b>197.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.07</b>	<b>212.59</b>
Less: Provision for doubtful debts	-	-	-	-	-	(15.07)	(15.07)
<b>Total Trade Receivables as at March 31, 2024</b>	<b>197.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>197.52</b>

Particulars	Not Due	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	146.02	-	-	-	-	-	146.02
Disputed Trade receivables – credit impaired	-	-	-	-	6.74	8.33	15.07
Total	146.02	-	-	-	6.74	8.33	161.09
Less: Provision for doubtful debts	-	-	-	-	(6.74)	(8.33)	(15.07)
<b>Total Trade Receivables as at March 31, 2023</b>	146.02	-	-	-	-	-	146.02

**NOTE 6. CASH AND CASH EQUIVALENTS**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Balance with Banks		
- In current accounts	1.34	2.83
- In deposit account (with original maturity of 3 months or less)	601.60	386.85
<b>TOTAL</b>	<b>602.94</b>	<b>389.68</b>

**NOTE 7. OTHER BANK BALANCES**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Deposit account with original maturity of more than 3 months and upto 12 months		
- To the extent held as security against guarantees and other commitments	22.01	95.85
- Unrestricted fixed deposits	142.35	106.10
<b>TOTAL</b>	<b>164.36</b>	<b>201.95</b>

**NOTE 8. OTHER CURRENT FINANCIAL ASSETS**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
(Unsecured and Considered Good)		
Interest Accrued	18.23	18.56
Other Receivables due from Related Parties (Refer Note 28)	1.79	1.48
Other Receivables (Refer Note 8.1)	9.94	6.63
<b>TOTAL</b>	<b>29.96</b>	<b>26.67</b>

8.1 Other receivables include amount receivable towards lease rentals and shared services.

**NOTE 9. OTHER CURRENT ASSETS**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
(Unsecured and Considered Good)		
Balance with Goods and Service Tax Authorities	121.01	19.63
Advance to vendors	5.82	4.90
Prepaid expenses	10.23	11.58
Other Receivables	-	3.05
<b>TOTAL</b>	<b>137.06</b>	<b>39.16</b>

**NOTE 10. UNIT CAPITAL**

(Rs. in Crore)

	As at March 31, 2024		As at March 31, 2023	
	Units	Amount	Units	Amount
<b>Issued, Subscribed and Fully Paid up :</b>				
Issued, subscribed and fully paid up unit capital	66,40,00,000	4,228.29	66,40,00,000	4,708.15
<b>TOTAL</b>		<b>4,228.29</b>		<b>4,708.15</b>

**10.1 Reconciliation of the units outstanding at the beginning and at the end of the reporting year :**

Particulars	As at March 31, 2024	As at March 31, 2023
	No. of Units	No. of Units
Units at the beginning of the year	66,40,00,000	66,40,00,000
Issued during the year	-	-
Units at the end of the year	66,40,00,000	66,40,00,000

**10.2 Information on unitholders holding more than 5% of Unit Capital:**

Name of Unit holders	Relationship	As at March 31, 2024		As at March 31, 2023	
		No. of Units	% held	No. of Units	% held
Rapid Holdings 2 Pte. Ltd.	Sponsor	49,80,00,000	75.00%	49,80,00,000	75.00%

**10.3 The details of Units held by the Promoters**

Promoter Name	No. of Units	% held	% Change during the year
Rapid Holdings 2 Pte. Ltd.	49,80,00,000	75%	0.00%

**10.4 Rights and Restrictions to 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 each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distributions in Indian rupees. The distributions can be in the form of return of capital, return on capital and miscellaneous income.

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

The unit holders(s) shall not have any personal liability or obligation with respect to the Trust.

- 10.5 Under the provisions of the InvIT Regulations, Trust is required to distribute to Unitholders not less than 90% of the net distributable cash flows of the Trust for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with the SEBI Master Circular, the Unit Capital have been presented as "Equity" in order to comply with the requirements of the Section H of Chapter 3 of SEBI Master Circular dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

#### NOTE 11. OTHER EQUITY

(Rs. in Crore)

	As at March 31, 2024		As at March 31, 2023	
<b>Retained Earnings</b>				
As at the beginning of the year	(2,034.54)		(1,983.67)	
Profit/ (Loss) for the year	822.02		546.08	
Return on Capital (Refer note 11.2)	(488.54)		(596.95)	
Other Income Distribution (Refer note 11.2)	(4.68)	(1,705.74)	-	(2,034.54)
<b>Other Comprehensive Income [OCI]</b>				
As at the beginning of the year	(0.15)		0.36	
Movement in OCI (Net) during the year	0.06	(0.09)	(0.51)	(0.15)
<b>TOTAL</b>		<b>(1,705.83)</b>		<b>(2,034.69)</b>

- 11.1 Debenture Redemption Reserve: Debenture Redemption Reserve (DRR) is not required to be created due to absence of profits available for payment of dividend in its subsidiary. The Group has accumulated losses as at March 31, 2024.

- 11.2 Return on capital and other income as per NDCF is duly approved by investment manager. Refer Statement of Net Distributable Cash Flows (NDCF) of Trust and PIL in Note 35.

#### NOTE 12. NON-CONTROLLING INTEREST

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
0% Compulsorily Convertible Preference Shares	4,000.00	4,000.00
Equity component of 0% Redeemable Preference Shares (Refer Note 13.4)	45.17	45.17
<b>TOTAL</b>	<b>4,045.17</b>	<b>4,045.17</b>

**12.1 0% Compulsorily Convertible Preference Shares [CCPS]**

- (a) Reconciliation of the CCPS outstanding at the beginning and at the end of the reporting year :

	As at March 31, 2024	As at March 31, 2023
	No. of Shares	No. of Shares
CCPS at the beginning of the year	4,00,00,00,000	4,00,00,00,000
Add: Issued during the year	-	-
CCPS at the end of the year	4,00,00,00,000	4,00,00,00,000

- (b) The details of CCPS holders holding more than 5% shares

Name of holders of CCPS	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
Reliance Strategic Business Ventures Limited	4,00,00,00,000	100%	4,00,00,00,000	100%

- (c) Every 254 CCPS shall be converted into 1 (One) Equity Shares of Rs. 10 each on the expiry of 20 years from date of allotment i.e. March 22, 2019 of CCPS.

- (d) Rights and Restrictions to CCPS

In the event of liquidation or winding-up of the SPV, the CCPS shall immediately convert into Equity Shares in the manner set out above, which Equity Shares shall rank pari passu with the other Equity Shares issued by the SPV at such point in time.

The CCPS holders will not have voting rights.

**12.2 CCPS and RPS are not held by the promoters of the SPV.****NOTE 13. NON-CURRENT BORROWINGS**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
	Non Current	Non Current
<b>DEBENTURES - AT AMORTISED COST</b>		
<b>(A) Secured - Listed</b>		
Non Convertible Debentures-Amortised Cost (Refer Note 19.1)	6,452.00	-
<b>(B) Liability Component of Compound Financial Instrument</b>		
0% Redeemable Preference Shares	7.69	7.01
<b>TOTAL</b>	<b>6,459.69</b>	<b>7.01</b>

**13.1 Debentures :**

The Listed Secured, Redeemable Non - Convertible Debentures (NCDs) (external debt) referred to above are secured by way of first charge (and as the case may be, subject to an escrow mechanism) as set out below, in favour of the Debenture Trustee (for benefit of the Debenture holders):

- Assignment (by way of assignment / security documents to the satisfaction of the Transaction Debt Holders) of the Pipeline Usage Agreement (PUA) and Operation & Maintenance Contract;
- First ranking charge by Listed NCDs on all assets of the SPV, including all rights, title, interest, and benefit of the SPV in respect of and over the 'East West Pipeline', the escrow account of the SPV and all receivables of the SPV (including under the PUA);



- (c) The security creation and perfection on the movable and immovable assets as specified in the Deed of Hypothecation and Indenture of Mortgage along with Memorandum of Entry respectively dated February 29, 2024 was completed. The SPV has also made necessary filing for creation of charge on the movable and immoveable assets with the Ministry of Corporate Affairs ("MCA") on March 21, 2024. Security perfection has been completed pursuant to issuance of charge creation certificate by MCA on April 22, 2024.
- (d) The Security cover exceeds hundred percent of the principal amounts of the said NCDs.

13.2 Coupon rate of 7.96% payable quarterly.

13.3 The above NCDs are redeemable on the following dates:

Series 1- Listed Debentures	March 11, 2027
Series 2- Listed Debentures	March 11, 2028
Series 3- Listed Debentures	March 11, 2029

13.4 0% Cumulative Redeemable Preference Shares of Rs. 10 each (RPS):

- (a) Reconciliation of the number of RPS outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2024	As at March 31, 2023
	No. of Shares	No. of Shares
RPS at the beginning of the year	5,00,00,000	5,00,00,000
Add: Issued during the year	-	-
RPS at the end of the year	5,00,00,000	5,00,00,000

- (b) The details of RPS holders holding more than 5% shares

Name of holders of RPS	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
Reliance Strategic Business Ventures Limited	5,00,00,000	100%	5,00,00,000	100%
	5,00,00,000	100%	5,00,00,000	100%

- (c) RPS have term of 30 years from date of allotment and shall be redeemed at par. Further 10% of such RPS shall be redeemed per year from 21st year onwards on a proportionate basis.
- (d) Rights and Restrictions to RPS:
- RPS of the Subsidiary have priority over the Equity Shares of the Subsidiary in proportion to their holding for repayment of capital, in the event of liquidation of the Company.
  - The RPS will have the right to surplus assets either on winding up or liquidation or otherwise. Any payment to the RPS Holder shall be made subject to the payments to be made to the Parties pursuant to the NCD Terms or the Specified Actions as per the Agreement.
  - The RPS holders will not have voting rights.
- (e) The RPS has been issued for consideration other than cash as part consideration, out of total consideration of Rs. 650 Crore, for acquisition of pipeline from EWPL pursuant to scheme of arrangement.

13.5 The Trust had obtained a Corporate Credit Rating (“CCR”) from CRISIL Ratings Limited (“CRISIL”), which had assigned “CCR AAA/Stable” (pronounced as CCR Triple A rating with Stable outlook) to the Trust. Subsequently, CCR was revised for standardising rating scales used by Credit Rating Agencies, due to which, CRISIL Ratings has migrated the CCR of India Infrastructure Trust to “CRISIL AAA/Stable” (pronounced as CRISIL triple A rating with Stable outlook) from “CCR AAA/Stable”, on December 13, 2022. The aforesaid rating has been re-affirmed by CRISIL on March 18, 2024 which was reviewed by CRISIL on April 24, 2024.

Also, Credit ratings of “CRISIL AAA/Stable” from CRISIL Ratings Limited and “CARE AAA/Stable” from CARE Ratings Limited been obtained by the SPV for its listed Non-Convertible Debentures issued on March 11, 2024. As on date, CRISIL Ratings Limited has reaffirmed the rating on April 11, 2024. There is no revision in the credit ratings.

13.6 Changes in liabilities arising from financing activities: (Rs. in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening balance of NCDs</b>	6,452.00	6,452.00
<u>Cash Movement:</u>		
Repayment during the year	(6,452.00)	-
Proceeds from borrowings	6,452.00	-
Finance cost paid during the year	(592.85)	(577.40)
<u>Non Cash Movement:</u>		
Finance cost accrued during the year	592.85	577.40
<b>Closing balance of NCDs</b>	<b>6,452.00</b>	<b>6,452.00</b>

#### NOTE 14. LEASE LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	16.96	19.79
<b>TOTAL</b>	<b>16.96</b>	<b>19.79</b>

14.1 At the date of commencement of the lease, the Group has recognized a right-of use asset (“ROU”) and a corresponding lease liability for all lease arrangements.

14.2 The following are the changes in the carrying value of right of use assets (building).

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Balance as at the beginning of the year</b>	<b>18.63</b>	24.21
Additions	-	-
Deletions/ Adjustments	-	(2.39)
Depreciation	(2.98)	(3.19)
<b>Balance as at the end of the year</b>	<b>15.65</b>	18.63

14.3 The following is the movement in lease liabilities:

		(Rs. in Crore)
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Balance as at the beginning of the year</b>	<b>22.40</b>	26.98
Additions	-	-
Finance cost accrued during the year	<b>1.68</b>	2.20
Deletions/ Adjustments	-	2.39
Payment of lease liabilities	<b>(4.30)</b>	(9.17)
<b>Balance as at the end of the year</b>	<b>19.78</b>	22.40

14.4 The following is the break-up of lease liabilities based on their maturities:

		(Rs. in Crore)
	As at March 31, 2024	As at March 31, 2023
Non-Current Lease Liabilities	<b>16.96</b>	19.79
Current Lease Liabilities	<b>2.82</b>	2.61
<b>TOTAL</b>	<b>19.78</b>	22.40

14.5 Contractual maturities of lease liabilities on an undiscounted basis is as below:

		(Rs. in Crore)
	As at March 31, 2024	As at March 31, 2023
Less than one year	<b>4.29</b>	4.29
One to five years	<b>20.15</b>	23.21
More than five years	-	1.23
<b>TOTAL</b>	<b>24.44</b>	28.73

14.6 Changes in liabilities arising from financing activities:

		(Rs. in Crore)
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening balance of Lease Liability</b>	<b>22.40</b>	26.98
<u>Cash Movement:</u>		
Repayment during the year	<b>(2.62)</b>	(2.19)
Finance cost paid during the year	<b>(1.68)</b>	(2.27)
<u>Non Cash Movement:</u>		
Finance cost accrued during the year	<b>1.68</b>	2.27
Deletions/ Adjustments	-	(2.39)
<b>Closing balance of Lease Liability</b>	<b>19.78</b>	22.40

**NOTE 15. OTHER NON CURRENT FINANCIAL LIABILITIES**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Call Option with RIL for PIL Shares (Refer Note 15.1)	97.26	82.80
<b>TOTAL</b>	<b>97.26</b>	<b>82.80</b>

15.1 As per the terms agreed by the Trust, the Investment Manager, Pipeline Infrastructure Limited (PIL), Reliance Industries Holdings Private Limited (RIHPL) and Reliance Industries Limited (RIL), wherein RIL has the right, but not the obligation, to purchase the entire equity stake of the Trust in PIL after a specific term or occurrence of certain events for a consideration of Rs. 50 Crore or such other amount determined by the option valuer, whichever is lower.

**NOTE 16. DEFERRED TAX LIABILITIES (NET)**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
The movement on the deferred tax account is as follows:		
At the start of the year	-	-
Charge / (credit) to Statement of Profit and Loss	-	-
<b>At the end of the year</b>	<b>-</b>	<b>-</b>

16.1 Component wise movement of Deferred tax liabilities / (asset) for the year ended March 31, 2024 and March 31, 2023.

			(Rs. in Crore)
Particulars	As at March 31, 2023	Recognised in the Statement of Profit and Loss during the year	As at March 31, 2024
Property, Plant and Equipment	1,219.91	56.95	1,276.86
Intangible Assets	310.82	(2.68)	308.14
Goodwill	10.17	-	10.17
Investment	0.05	0.69	0.74
Trade Receivables	(3.79)	0.00	(3.79)
Provision for Gratuity	(0.06)	0.00	(0.06)
Provision for compensated absences	(0.23)	(0.06)	(0.29)
ROU asset and lease liability	(0.95)	(0.09)	(1.04)
Unabsorbed depreciation (recognised to the extent of deferred tax liability)	(1,535.92)	(54.81)	(1,590.73)
	-	-	-

(Rs. in Crore)			
Particulars	As at March 31, 2022	Recognised in the Statement of Profit and Loss during the year	As at March 31, 2023
Property, Plant and Equipment	1,132.10	87.81	1,219.91
Intangible Assets	302.77	8.05	310.82
Goodwill	10.17	-	10.17
Investment	0.76	(0.71)	0.05
Trade Receivables	(3.79)	(0.00)	(3.79)
Provision for Gratuity	(0.01)	(0.05)	(0.06)
Provision for compensated absences	(0.20)	(0.03)	(0.23)
ROU asset and lease liability	-	(0.95)	(0.95)
Unabsorbed depreciation(recognised to the extent of deferred tax liability)	(1,441.80)	(94.12)	(1,535.92)
<b>TOTAL</b>	-	-	-

16.2 The Group has recognized deferred tax assets majorly on unabsorbed depreciation to the extent there is corresponding deferred tax liability on the difference between the book balances and the written down value of property, plant and equipment, intangible assets and Investments under the Income Tax Act, 1961.

16.3 Deferred Tax on unrecognised deductible temporary differences, unused tax losses, unabsorbed depreciation.

(Rs. in Crore)		
Particulars	As at March 31, 2024	As at March 31, 2023
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
Unabsorbed depreciation	<b>337.63</b>	392.22
Business Loss	<b>49.61</b>	67.07
	<b>387.24</b>	459.29

16.4 Unrecognized deferred tax assets related to unabsorbed depreciation, as disclosed above, can be carried forward indefinitely and business losses, as disclosed above, can be carried forward upto financial year 2028-29.

#### NOTE 17. OTHER NON CURRENT LIABILITIES

(Rs. in Crore)		
	As at March 31, 2024	As at March 31, 2023
<b>Others</b>		
Income Received In Advance	<b>0.75</b>	0.78
Other Contract Liability	<b>21.77</b>	25.59
<b>TOTAL</b>	<b>22.52</b>	26.37

**NOTE 18. TRADE PAYABLES**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of Micro and Small enterprises (Refer Note 18.1)	1.39	0.80
Others	162.79	135.34
<b>TOTAL</b>	<b>164.18</b>	<b>136.14</b>
<b>Of the above Trade Payables amounts due to related parties are as below:</b>		
Trade Payables due to related parties	12.52	7.42
<b>Total Trade Payables due to related parties</b>	<b>12.52</b>	<b>7.42</b>

18.1 Dues to micro, small & medium enterprises as defined under the MSMED Act, 2006.

The Group does not have any over dues outstanding to the micro, small & medium enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006. The identification of micro and small enterprises is based on information available with the management.

Particulars	As at March 31, 2024	As at March 31, 2023
a) Principal amount overdue to micro and small enterprises	-	-
b) Interest due on above	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
d) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

## 18.2 Trade Payables Ageing

Outstanding for following periods from due date of payment						(Rs. in Crore)
As at March 31, 2024	Not due*	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 year	Total
MSME	1.39	-	-	-	-	1.39
Others	57.18	98.28	6.71	0.49	0.13	162.79
As at March 31, 2023	Not due*	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 year	Total
MSME	0.80	-	-	-	-	0.80
Others	40.98	91.00	2.55	0.26	0.55	135.34

\* Includes unbilled amount of Rs. 36.52 Crore (Previous year Rs. 24.43 Crore payable to other creditors)

## 18.3 Relationship with struckoff companies.

During the year, the Group has no transactions with companies struck off as per section 248 of the Companies Act, 2013.

**NOTE 19. CURRENT BORROWINGS**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Current maturities of secured long term debt (Refer Note 13.1)	-	6,445.63
<b>TOTAL</b>	<b>-</b>	<b>6,445.63</b>

19.1 As at March 31, 2023, the SPV's listed NCDs of Rs. 6,452 Crore were classified as current borrowings as they were due for maturity on March 22, 2024. On March 11, 2024, SPV has issued 6,45,200 Listed, Secured, Redeemable Non-Convertible Debentures, of Rs. 6,452 crores on Private Placement basis and the same is outstanding as on March 31, 2024 ("Listed NCDs"). Refer Note 13.3 for the maturity profile.

**NOTE 20. OTHER CURRENT FINANCIAL LIABILITIES**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Security deposits received	19.71	25.22
Other Contractual Liability (Refer Note 20.1)	1,229.71	751.67
Interest Payable - Accrued But Not Due	27.58	-
<b>TOTAL</b>	<b>1,277.00</b>	<b>776.89</b>

20.1 Other contractual liability represents amount payable under Pipeline Usage Agreement.

**NOTE 21. OTHER CURRENT LIABILITIES**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Income Received In Advance (Refer Note 21.1)	8.10	690.12
Contract Liability	5.56	0.10
Statutory Dues	57.44	5.48
Other payables (Refer Note 21.2)	3.26	6.20
<b>TOTAL</b>	<b>74.36</b>	<b>701.90</b>

21.1 Includes net contracted capacity payments of Nil (Previous year Rs. 679.42 Crore) for which SPV is obliged to transport gas in future. The amount of Rs. 679.42 Crore included in Income Received in Advance as at March 31, 2023, has been recognised as revenue (Income from transportation of gas (GTA)) during the year ended March 31, 2024 (Year ended March 31, 2023, Rs. 586.73 Crore)

21.2 Includes Imbalance and Overrun Charges (As per sub-regulation (10) of regulation (13) of notification no. G.S.R. 541E dated 17th Aug, 2008 issued and amended from time to time by Petroleum and Natural Gas Regulatory Board ("PNGRB"), the SPV collects the charges from customers and are paid to PNGRB on a quarterly basis.

**NOTE 22. PROVISIONS**

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (Refer Note 24 (iii))	0.24	0.24
Provision for compensated absences (Refer Note 24)	1.14	0.92
<b>TOTAL</b>	<b>1.38</b>	<b>1.16</b>

**NOTE 23. REVENUE FROM OPERATIONS**

(Rs. in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income from Services</b>		
Income from Transportation of Gas	<b>3,551.98</b>	2,568.91
<b>Other Operating Income</b>		
Parking and Lending Services	<b>102.71</b>	166.62
Others	<b>11.67</b>	8.49
<b>TOTAL</b>	<b>3,666.36</b>	<b>2,744.02</b>

23.1 PIL derives revenues primarily from operation of its Pipeline comprising of Income from transportation of gas and Other Operating Income i.e. Parking and Lending Services and others.

**NOTE 23A. INTEREST**

(Rs. in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
From Fixed Deposits	<b>34.12</b>	17.63
From Income Tax Refund	<b>1.71</b>	4.64
From Others (Refer note 23A.1)	<b>1.47</b>	0.10
<b>TOTAL</b>	<b>37.30</b>	22.37

23A.1 Includes interest received on late payments by customers and interest income on security deposit for lease.

23A.2 Interest Income, which has been presented under 'Other Income' in earlier periods, are now presented separately on the Statement of Profit and Loss.

**NOTE 23B. OTHER INCOME**

(Rs. in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Unrealised Gain on Mutual Fund	<b>2.73</b>	(3.10)
Gain on sale of Gas Generators	<b>99.11</b>	-
Other Non-Operating Income	<b>16.81</b>	13.45
<b>TOTAL</b>	<b>118.65</b>	10.35

23B.1 Realised gain on mutual fund, which has been presented under 'Other Income' in earlier periods, are now presented separately on the Statement of Profit and Loss.

**NOTE 24. EMPLOYEE BENEFITS EXPENSE**

(Rs. in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Bonus	<b>31.12</b>	30.77
Contribution to Provident Fund, Gratuity and other Funds	<b>1.23</b>	1.20
Staff welfare expenses	<b>3.66</b>	2.59
<b>TOTAL</b>	<b>36.01</b>	34.56



**24.1 Disclosure as per Indian Accounting Standard 19 “Employee Benefits” are given below :****Defined Contribution Plan**

Provident fund contributions amounting to Rs. 0.88 Crore (Previous year Rs. 0.91 Crore) have been charged to the Statement of Profit and Loss, under Contribution to Provident Fund, Gratuity and other funds.

**Defined Benefit Plan**

The Group operates post retirement benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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.

**Gratuity**

The Group makes contributions under the Employees Gratuity scheme to a fund administered by Trustees covering all eligible employees. The plan provides for lump sum payments to employees whose right to receive gratuity had vested at the time of resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service except in case of death.

The details in respect of the status of funding and the amounts recognised in the Group’s financial statements for the year ended March 31, 2024, for these defined benefit schemes are as under:

**i) Reconciliation of opening and closing balances of Defined Benefit Obligation**

Particulars	(Rs. in Crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Defined Benefit Obligation at beginning of the year	2.69	2.27
b. Current Service Cost	0.28	0.25
c. Interest Cost	0.20	0.17
d. Liability Transferred Out	-	-
e. Actuarial gain	(0.06)	0.52
f. Benefits paid	-	(0.52)
g. Defined Benefit Obligation at end of the year	3.11	2.69

**ii) Reconciliation of opening and closing balances of fair value of Plan Assets**

Particulars	(Rs. in Crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Fair value of Plan Assets at beginning of the year	2.44	2.26
b. Interest Income	0.18	0.16
c. Actuarial Gain / (Loss)	0.01	0.01
d. Assets Transferred In/Transferred Out	-	-
e. Employer Contributions	0.24	-
f. Benefits paid	-	-
g. Fair value of Plan Assets at the end of the year	2.87	2.43
h. Actual Return on Plan assets	0.19	0.17

**iii) Reconciliation of fair value of assets and obligations**

Particulars	(Rs. in Crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Fair value of Plan Assets at end of the year	2.87	2.43
b. Present value of Obligation as at end of the year	3.11	2.69
c. Amount recognised in the Balance Sheet [Surplus / (Deficit)]	(0.24)	(0.26)

**iv) Expenses recognised during the year**

Particulars	(Rs. in Crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Current Service Cost	0.28	0.25
b. Interest Cost	0.20	0.17
c. Interest Income	(0.18)	(0.16)
d. Actuarial (Gain)/Loss recognised in Other Comprehensive Income	(0.07)	0.51
e. Expenses recognised during the year	0.23	0.77

**v) Investment Details****Particulars of Investments - Gratuity (%)**

The Gratuity Trust has taken Gratuity Policies from Life Insurance Corporation of India.

**vi) Actuarial Assumptions**

Mortality Table (IALM)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate	7.20%	7.50%
Salary escalation	6.00%	5.00%
Employee turnover	3.00%	3.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The expected rate of return on plan assets is determined considering RBI Bond Interest rate or historical return on plan assets.

**vii) Maturity Profile of Defined Benefit Obligation**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average duration (based on discounted cashflows)	7 years	6 years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	0.81	0.94
2 to 5 years	1.05	0.77
6 to 10 years	1.57	0.84
More than 10 years	2.55	2.44

**viii) Sensitivity Analysis**

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Decrease	Increase	Decrease	Increase
Change in discounting rate (delta effect of -/+ 0.5%)	(0.11)	0.11	(0.09)	0.08
Change in rate of salary increase (delta effect of -/+ 0.5%)	(0.11)	0.12	(0.08)	0.09
Change in rate of Attrition rate (delta effect of -/+ 25%)	(0.01)	0.01	(0.02)	0.01
Change in rate of Mortality rate (delta effect of -/+ 10%)	(0.00)	0.00	(0.00)	0.00

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

These plans typically expose the Group to actuarial risks such as: interest rate risk, liquidity risk, salary escalation risk, demographic risk, regulatory risk, asset liability mismatching or market risk and investment risk.

**Interest Rate risk:** The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk:** This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of defined obligation plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/fall in interest rate.

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Leave encashment plan and compensated absences:** The Group provides for leave encashment / compensated absences based on an independent actuarial valuation at the balance sheet date, which includes assumptions about demographics, early retirement, salary increases, interest rates and leave utilisation. The actuarial assumptions on compensated absences considered are same as the table (vi) above.

**NOTE 25. FINANCE COSTS**

(Rs. in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses	596.65	581.32
Other Borrowing Costs	6.57	6.37
<b>TOTAL</b>	<b>603.22</b>	<b>587.69</b>

**NOTE 26. OTHER EXPENSES**

(Rs. in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>OPERATION AND MAINTAINANCE EXPENSES</b>		
Stores and Spares	117.65	58.87
Electricity, Power and Fuel	525.96	348.00
Other Operational Expenses (Refer Note 26.1)	68.12	85.21
<b>ADMINISTRATION EXPENSES</b>		
Rent	0.27	0.18
Rates and Taxes	2.39	2.05
Contracted and others services	3.60	3.49
Travelling and Conveyance	9.65	9.33
Professional Fees	12.60	7.77
Letter of credit and bank charges	3.31	3.44
Upside as per PUA (Refer Note 26.3)	472.79	-
General Expenses (Refer Note 26.4)	25.77	22.49
<b>TOTAL</b>	<b>1,242.11</b>	<b>540.83</b>

26.1 Includes maintenance charges of Rs. 57.43 Crore (Previous year Rs. 51.64 Crore)

26.2 Breakup of payment to Auditors

(Rs. in Crore)

<b>PAYMENT TO AUDITORS</b>	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Auditor		
Statutory Audit Fees #	2.89	1.94
Tax Audit Fees	0.10	0.10
Other Audit Fees*	1.36	2.01
(b) Certification Fees	0.10	0.06
(c) Expenses reimbursed	0.04	0.04
<b>TOTAL</b>	<b>4.49</b>	<b>4.15</b>

# In the current year, statutory audit fees include an amount of Rs. 0.75 Crore for the audit of special purpose and general purpose financial statements.

\*Represents audit fees paid for audit of group reporting package as per group referral instructions under the PCAOB standards.

26.3 Pertains to upside of Rs. 472.79 Crore (Previous year Nil) payable to Reliance Industries Limited (RIL) in lieu of RIL providing certainty of cash flows in accordance with the terms of the Pipeline Usage Agreement.

26.4 General expenses mainly include licence fees and other miscellaneous expenses.

**NOTE 27. EARNINGS PER UNIT (EPU)**

	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Net Profit as per Statement of Profit and Loss attributable to Unit Shareholders (Rs. in Crore)	822.02	546.08
ii) Weighted Average number of units	66,40,00,000	66,40,00,000
iii) Weighted Average number of potential units	-	-
iv) Total Weighted Average number of units used as denominator for calculating Basic / Diluted EPU	66,40,00,000	66,40,00,000
v) Earnings per unit		
- For Basic (Rs.)	12.38	8.22
- For Diluted (Rs.)	12.38	8.22

**NOTE 28. RELATED PARTY DISCLOSURES**

As per SEBI InvIT regulations and as per Ind AS 24, disclosures with related party are given below.

**I. List of Related Parties as per the requirements of Ind AS 24 - "Related Party Disclosures"****a) Ultimate Controlling Party**

Brookfield Corporation (formerly known as Brookfield Asset Management Inc.)

**b) Parent and Sponsor**

Rapid Holdings 2 Pte. Ltd.

**c) Entity under common control**

Data Infrastructure Trust (upto December 11, 2023)

**d) Members of same group**

Pipeline Management Services Private Limited

Summit Digital Infrastructure Limited (formerly known as Summit Digital Infrastructure Private Limited)

**e) Post-employment benefit plan**

Pipeline Infrastructure Limited Employees Gratuity Fund

**f) Key Managerial Personnel of the Investment Manager (Brookfield India Infrastructure Manager Private Limited)**

Ms. Pooja Aggarwal - Chief Executive Officer (from June 01, 2023 to December 12, 2023)

Mr. Darshan Vora - Chief Financial Officer (from June 01, 2023 to December 12, 2023)

Mr. Suchibrata Banerjee - Chief Financial Officer (effective December 12, 2023)

Mr. Akhil Mehrotra - Managing Director (effective December 12, 2023)

**g) Key Managerial Personnel of the SPV (Pipeline Infrastructure Limited)**

Mr. Akhil Mehrotra - Managing Director (MD) (redesignated from MD & Chief Executive Officer to MD w.e.f. November 08, 2023)

Mr. Kunjal Thacker - Chief Financial Officer (upto September 27, 2022)

Mr. Mahesh Iyer- Chief Financial Officer (effective September 29, 2022)

Ms. Neha Jalan - Company Secretary (upto September 9, 2023)

Ms. Astrid Lobo- Company Secretary (upto May 22, 2024)

Ms. Suneeta Mane- Company Secretary (effective May 23, 2024)

**II. List of additional related parties as per Regulation 2(1) (zv) of the SEBI InvIT Regulations****a) Parties to India Infrastructure Trust with whom there were transactions**

Brookfield India Infrastructure Manager Private Limited (Investment Manager) (as per Paragraph 4 of SEBI (InvIT) Regulations, 2014, as amended)

ECI India Managers Private Limited. (Project Manager) (as per Paragraph 4 of SEBI (InvIT) Regulations, 2014, as amended)

Axis Trustee Services Limited (Trustee) (as per Paragraph 4 of SEBI (InvIT) Regulations, 2014, as amended)

**b) Promoters of parties to India Infrastructure Trust with whom there were transactions**

Axis Bank Limited (Promoter of Axis Trustee Services Limited)

**c) Directors of the parties to the Trust specified in I(b) and II(a) above****(i) ECI India Managers Private Limited**

Mr. Darshan Vora (effective February 10, 2022)

Mr. Anish Kedia (from September 30, 2021 to August 26, 2022 )

Ms. Sukanya Viswanathan (from August 26, 2022 to August 11, 2023)

Ms. Megha Ashok Dua (effective August 10, 2023)

**(ii) Brookfield India Infrastructure Manager Private Limited (Investment Manager w.e.f April 1, 2020)**

Ms. Pooja Aggarwal (upto April 06, 2022)

Mr. Sridhar Rengan (upto December 12, 2023)

Mr. Chetan Desai (upto May 31, 2023)

Mr. Narendra Aneja (upto May 31, 2023)

Ms. Swati Mandava (from June 28, 2022 to May 25, 2023)

Mr. Prateek Shroff (Effective May 26, 2023)

Ms. Radhika Haribhakti (from June 01, 2023 upto December 12, 2023)

Mr. Jagdish Kini (from June 01, 2023 upto December 12, 2023)

Mr. Arun Balakrishanan (Effective June 01, 2023)

Ms. Rinki Ganguli (from June 01, 2023 upto December 12, 2023)

Mr. Akhil Mehrotra (Effective December 12, 2023)

Mr. Chaitanya Pande (Effective December 12, 2023)

Mr. Varun Saxena (Effective December 12, 2023)

Ms. Kavita Venugopal (Effective December 12, 2023)

**(iii) Rapid Holdings 2 Pte. Ltd.**

Mr. Tang Qichen (upto October 12, 2022)

Mr. Velden Neo Jun Xiong (upto April 29, 2022)

Mr. Liew Yee Foong

Ms. Ho Yeh Hwa

Mr. Tan Aik Thye Derek (effective April 29, 2022)

Ms. Tay Zhi Yun (effective October 12, 2022)

Ms. Talisa Poh Pei Lynn (effective October 12, 2022)

(iv) **Axis Trustee Services Limited**

Ms. Deepa Rath (effective May 01, 2021)

Mr. Sumit Bali (Effective January 16, 2024)

Mr. Prashant Joshi (Effective January 16, 2024)

Mr. Arun Mehta (Effective May 03, 2024)

Mr. Parmod Kumar Nagpal (Effective May 03, 2024)

**d) List of additional related parties as per Section 2(76)(iv) of the Companies Act, 2013, with whom there were transactions:****Private company in which a director or manager or his relative is a member or a director**

Sanmarg Projects Private Limited

India Gas Solutions Private Limited

**III) Transactions during the year with related parties :**

(Rs. in Crore)				
Sr. No.	Particulars	Relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
1	<b>Trustee Fee</b>			
	Axis Trustee Services Limited	Trustee	0.21	0.21
2	<b>Investment management fee (Refer note 28.1)</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment manager	2.83	2.83
3	<b>Legal/Professional fees/reimbursement of expenses</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment manager	1.75	0.50
4	<b>Project Management fee (Refer note 28.2)</b>			
	ECI India Managers Private Limited	Project Manager	1.77	1.77
5	<b>Return on Unit Capital</b>			
	Rapid Holdings 2 Pte. Ltd.	Sponsor	366.40	447.71
6	<b>Return of Unit Capital</b>			
	Rapid Holdings 2 Pte. Ltd.	Sponsor	359.89	337.36
7	<b>Other Income Distributed</b>			
	Rapid Holdings 2 Pte. Ltd.	Sponsor	3.51	-
8	<b>Pipeline Maintenance Expenses</b>			
	Pipeline Management Services Private Limited	Members of same group	57.43	51.64
9	<b>Income from Support Services</b>			
	Pipeline Management Services Private Limited	Members of same group	4.48	4.24

				(Rs. in Crore)
Sr. No.	Particulars	Relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
10	<b>Reimbursement of expenses</b>			
	Pipeline Management Services Private Limited (Rs. 48,200/- transaction below Rs. 50,000 specified by 0.00)	Members of same group	-	0.00
11	<b>Rental and O&amp;M reimbursement Income</b>			
	Summit Digitel Infrastructure Limited	Members of same group	0.19	1.23
12	<b>Income from Support Services</b>			
	ECI India Managers Private Limited	Members of same group	0.05	0.03
13	<b>Bank charges paid</b>			
	Axis Bank Limited	Promoter of the Trustee	0.04	0.03
14	<b>Interest on NCDs</b>			
	Axis Bank Limited	Promoter of the Trustee	83.10	80.56
15	<b>Purchase of gift cards</b>			
	Axis Bank Limited	Promoter of the Trustee	0.07	-
16	<b>Arranger Fees</b>			
	Axis Bank Limited	Promoter of the Trustee	10.17	-
17	<b>Purchase of natural gas</b>			
	India Gas Solutions Private Limited	Private company in which a director or his relative is a member or a director	125.99	-
18	<b>Income from gas transportation</b>			
	India Gas Solutions Private Limited#	Private company in which a director or his relative is a member or a director	207.45	155.99
19	<b>Other Income</b>			
	India Gas Solutions Private Limited	Private company in which a director or his relative is a member or a director	0.01	-



(Rs. in Crore)

Sr. No.	Particulars	Relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
20	<b>Repairs &amp; maintenance expenses</b>			
	Sanmarg Projects Private Limited	Private company in which a director or his relative is a member or a director	10.08	-
21	<b>Contribution to Gratuity Fund</b>			
	Pipeline Infrastructure Limited Employees Gratuity Fund	Post-employment benefit plan	0.24	-
22	<b>Repayment of Listed NCDs</b>			
	Axis Bank Limited	Promoter of the Trustee	900.00	-
23	<b>Issue of Listed NCDs</b>			
	Axis Bank Limited	Promoter of the Trustee	1,000.00	-
24	<b>Managerial Remuneration</b>			
	Mr. Akhil Mehrotra	Key Managerial Personnel of SPV	3.69	3.40
	Mr. Mahesh Iyer (Appointed w.e.f. September 29, 2022)	Key Managerial Personnel of SPV	2.02	1.09
	Mr. Kunjal Thackar (Resigned w.e.f. September 27, 2022)	Key Managerial Personnel of SPV	-	1.75
	Ms. Neha Jalan (Resigned w.e.f. September 15, 2023)	Key Managerial Personnel of SPV	0.59	0.45
	Ms. Astrid Lobo (Upto May 22, 2024)	Key Managerial Personnel of SPV	0.04	-
25	<b>Sitting Fees</b>			
	Mr. Arun Balakrishnan	Independent Director of SPV	0.10	0.13
	Mr. Chaitanya Pande	Independent Director of SPV	0.08	0.12
	Ms. Radhika Haribhakti (Appointed w.e.f. June 30, 2021)	Independent Director of SPV	0.03	0.13
	Ms. Kavita Venugopal (Appointed w.e.f. August 9, 2023)	Independent Director of SPV	0.07	-

## IV) Balances as at end of the year

(Rs. in Crore)

Sr. No	Particulars	Relationship	As at March 31, 2024	As at March 31, 2023
1	<b>Reimbursement of Expense payable</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	0.69	0.05
2	<b>Investment Manager Fee Payable</b>			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	-	0.24
3	<b>Project Manager fee payable</b>			
	ECI India Managers Private Limited	Project Manager	-	0.81
4	<b>Units value</b>			
	Rapid Holdings 2 Pte. Ltd.	Sponsor	3,171.22	3,531.11
5	<b>Other Current Financial Assets</b>			
	Pipeline Management Services Private Limited	Members of same group	0.62	0.54
	Summit Digitel Infrastructure Limited	Members of same group	1.17	0.91
	ECI India Managers Private Limited	Project Manager	-	0.03
6	<b>Sundry Creditors</b>			
	Pipeline Management Services Private Limited	Members of same group	4.43	6.32
	Sanmarg Projects Private Limited	Private company in which a director or his relative is a member or a director	0.52	-
	India Gas Solutions Private Limited	Private company in which a director or his relative is a member or a director	6.87	-
7	<b>Sundry Debtors</b>			
	India Gas Solutions Private Limited#	Private company in which a director or his relative is a member or a director	9.10	7.54
8	<b>NCDs principal payable</b>			
	Axis Bank Limited	Promoter of Trustees	1,000.00	900.00

28.1 Pursuant to Investment Management Agreement, the Investment Manager is entitled to an Investment Management fee of Rs. 0.20 Crore per month exclusive of GST. Investment Manager is also entitled to reimbursement of any cost incurred in relation to activity pertaining to Trust such as administration of Trust, appointment of staff, director, transaction expenses incurred with respect to investing, monitoring and disposing off investment of Trust.

28.2 Pursuant to Project Management Agreement, the Project Manager is entitled to an Project Management fee of Rs. 0.125 Crore per month exclusive of GST.

# During the current year, the Group has disclosed additional related parties as per Section 2(76)(iv) of the Companies Act, 2013, with whom there were transactions along-with disclosing corresponding numbers for year ended March 31, 2023. These additional related parties are not related parties as per the definition of Ind AS 24, Related Party Disclosures.

**NOTE 29. TAXATION**

(Rs. in Crore)

<b>Tax Expenses</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Current Tax	<b>1.44</b>	1.17
Deferred Tax	-	-
<b>Total Tax Expenses</b>	<b>1.44</b>	1.17

**Reconciliation of tax expenses and book profit multiplied by Tax rate:**

(Rs. in Crore)

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b>Profit / (Loss) before Tax</b>	<b>823.46</b>	547.25
Tax at the rates applicable to respective entities	<b>199.73</b>	134.18
<b>Tax effects of amounts which are not deductible/ (taxable) in calculating taxable income</b>		
Tax impact of interest cost on loan to SPV	<b>(143.85)</b>	(153.19)
Utilisation/credit of unrecognised tax losses, unabsorbed depreciation and other tax benefits	<b>(72.05)</b>	-
Deferred tax assets not recognised because realisation is not probable	-	9.02
Effect of non-deductible expenses	<b>17.61</b>	11.16
<b>Income Tax expense</b>	<b>1.44</b>	1.17

**Note:**

In accordance with section 10 (23FC) of the Income Tax Act, the income of business Trust in the form of interest received or receivable from Project SPV is exempt from tax. Accordingly, the Trust is not required to provide any current tax liability. However, for the income earned by the Trust, it will be required to provide for current tax liability.

The rate of Income tax for a domestic company as per the section 115BAA of the Income Tax Act, 1961 ("the Act") is 25.168%. The same is applicable to PIL i.e. SPV for the assessment year 2024-25 (FY 2023-24) and 2023-24 (FY 2022-23). The total income of a Business Trust is taxed at the rate 42.74% i.e. maximum marginal rate (MMR) as per the section 115UA(2) of the Act.

**NOTE 30. CONTINGENT LIABILITIES AND COMMITMENTS**

(Rs. in Crore)

	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Contingent Liabilities</b>	-	-
<b>Commitments (to the extent not provided for)</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	<b>15.42</b>	22.85

**NOTE 31. SEGMENT REPORTING**

The Groups's activities comprise of owning and investing in Infrastructure SPVs to generate cash flows for distribution to unitholders. The Trust has only one project SPV PIL. PIL's activities comprise of transportation of natural gas in certain states in India. Based on the guiding principles given in Ind AS 108 on "Segment Reporting", this activity falls within a single business and geographical segment and accordingly the disclosures of Ind AS 108 have not been separately given.

Revenues from three customer represents more than 10% of the Group's revenue for the year

Particulars	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Customer A</b>	<b>861.39</b>	1,148.84
<b>Customer B</b>	<b>673.45</b>	554.67
<b>Customer C <sup>(1)</sup></b>	<b>612.14</b>	122.34

<sup>(1)</sup> Previous year figures are less than 10% of revenue.

**NOTE 32. CAPITAL MANAGEMENT**

The Group adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

- Maintain financial strength to ensure AAA or equivalent ratings at individual Trust and SPV level.
- Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- Leverage optimally in order to maximize unit holder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The gearing ratio at end of the reporting year was as follows:

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Borrowings#	<b>6,459.69</b>	6,452.64
Cash and Marketable Securities*	<b>1,017.79</b>	409.89
<b>Net Debt (A)</b>	<b>5,441.90</b>	6,042.75
<b>Total Equity (As per Balance Sheet) (B)</b>	<b>6,567.63</b>	6,718.63
<b>Net Gearing (A/B)</b>	<b>0.83</b>	0.90

\* Cash and Marketable Securities include Cash and Cash equivalents of Rs. 602.94 Crore (Previous year Rs. 389.68 Crore) and Current Investments of Rs. 414.85 Crore (Previous year Rs. 20.21 Crore).

#inclusive of upfront arranger fee of Rs. 6.37 Crore in the previous year.

The SPV is regular in complying with debt covenants.

**NOTE 33. FINANCIAL INSTRUMENTS - FAIR VALUE DISCLOSURE****Financial Assets and Liabilities**

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as on March 31, 2024 and March 31, 2023.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair Value*	Carrying Value	Fair Value*
<b>Financial Assets</b>				
<b>Measured at amortised cost</b>				
Other Non Current Financial Assets	118.37	118.37	175.20	175.20
Trade Receivables	197.52	197.52	146.02	146.02
Cash and Cash Equivalents	602.94	602.94	389.68	389.68
Other Bank Balances	164.36	164.36	201.95	201.95
Other Current Financial Assets	29.96	29.96	26.67	26.67
<b>Measured at FVTPL</b>				
Investments	414.85	414.85	20.21	20.21
Fair value of put option	1.42	1.42	2.42	2.42
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings	6,459.69	6,459.69	6,452.64	6,452.64
Lease Liabilities	19.78	19.78	22.40	22.40
Trade Payables	164.18	164.18	136.13	136.13
Other Current Financial Liabilities	1,277.00	1,277.00	776.89	776.89
<b>Measured at FVTPL</b>				
Fair value of call option	97.26	97.26	82.80	82.80

\*Fair value approximates the carrying value as per management.

**Fair Value Measurement Hierarchy**

(Rs. in Crore)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets measured at fair value								
Investments	197.52		197.52		20.21		20.21	
Fair value of put option	1.42			1.42	2.42			2.42
Financial Liabilities measured at fair value								
Fair value of call option	97.26			97.26	82.80			82.80

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs based on unobservable market data.

**Options valuation methodology:**

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

The following table presents the changes in level 3 items related to Options Valuation for the year ended March 31, 2024 and March 31, 2023

**Call option**

Particulars	(Rs. in Crore)
As at April 1, 2023	82.80
Add: Fair Value Loss recognized in Profit & Loss	14.46
<b>As at March 31, 2024</b>	<b>97.26</b>

Particulars	(Rs. in Crore)
As at April 1, 2022	70.12
Add: Fair Value Loss recognized in Profit & Loss	12.68
<b>As at March 31, 2023</b>	<b>82.80</b>

**Put option**

Particulars	(Rs. in Crore)
As at April 1, 2023	2.42
Less: Fair Value Loss recognized in Profit & Loss	(1.00)
<b>As at March 31, 2024</b>	<b>1.42</b>

Particulars	(Rs. in Crore)
As at April 1, 2022	3.72
Less: Fair Value Loss recognized in Profit & Loss	(1.30)
<b>As at March 31, 2023</b>	<b>2.42</b>

The fair value of call option and put option written on the shares of SPV is measured using Black Scholes Model. Key inputs used in the measurement are:

- (i) Stock Price: It is estimated based on the stock price as of the date of the transaction (March 22, 2019) of Rs. 50 crores, as increased for the interim period between March 22, 2019 and March 31, 2024 by the Cost of Equity as this would be expected return on the investment for the acquirer.
- (ii) Exercise Price: Rs. 50 crores
- (iii) Option Expiry: 20 years from March 22, 2019 i.e., March 22, 2039.
- (iv) Risk free rate as on date of valuation 7.1% and cost of equity 17.9%.

The significant assumption considered in the valuation is volatility of comparable company as per Black Scholes Model. The valuation of Call and Put Option is computed using the volatility of comparable company as 32.4%.

Call Option: If the volatility of comparable company increases by 5% then fair value of the Call option will increase by Rs. 1.05 crores, if the volatility of comparable company reduces by 5% then fair value of the Call option will decrease by Rs. 0.78 crores.

Put Option: If the volatility of comparable company increases by 5% then fair value of the Put option will increase by Rs. 1.05 crores, if the volatility of comparable company reduces by 5% then fair value of the Put option will decrease by Rs. 0.78 crores.

**NOTE 34. FINANCIAL INSTRUMENTS - RISK MANAGEMENT****Foreign Currency Risk**

The following table shows foreign currency exposures in USD, EUR and GBP on financial instruments at the end of the reporting year. The exposure to foreign currency for all other currencies are not material.

**Foreign Currency Exposure** (Rs. in Crore)

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	EUR	GBP	USD	EUR	GBP
Trade and Other Payables	3.05	32.35	0.01	11.92	13.47	0.02
<b>Net Exposure</b>	<b>3.05</b>	<b>32.35</b>	<b>0.01</b>	11.92	13.47	0.02

**Sensitivity analysis of 1% change in exchange rate at the end of reporting year****Foreign Currency Sensitivity** (Rs. in Crore)

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	EUR	GBP	USD	EUR	GBP
<b>1% Depreciation in INR</b>						
Impact on Equity						
Impact on P&L	(0.03)	(0.32)	(0.00)	(0.12)	(0.13)	(0.00)
<b>Total</b>	<b>(0.03)</b>	<b>(0.32)</b>	<b>(0.00)</b>	(0.12)	(0.13)	(0.00)
<b>1% Appreciation in INR</b>						
Impact on Equity						
Impact on P&L	0.03	0.32	0.00	0.12	0.13	0.00
<b>Total</b>	<b>0.03</b>	<b>0.32</b>	<b>0.00</b>	0.12	0.13	0.00

**Interest Rate Risk****Interest rate risk sensitivity - Listed NCDs**

Since Interest rate is fixed for a block of 5 years i.e. upto March 2029, interest rate sensitivity is not applicable.

**Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Group. Credit risk arises from Group's activities in investments and outstanding receivables from customers.

The Group has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

**Liquidity Risk**

Liquidity risk arises from the Group's inability to meet its cash flow commitments on time. Group's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a disciplined cash management system.

(Rs. in Crore)

Maturity Profile of Borrowings at amortized cost as on March 31, 2024								
Particulars	Carrying Value	Below 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Total
<b>Non Derivative Liabilities</b>								
Long Term Loans*	6,479.58	155.62	129.45	256.09	2,022.80	6,212.81	-	8,776.77

\*Including interest

(Rs. in Crore)

Maturity Profile of Borrowings at amortized cost as on March 31, 2023								
Particulars	Carrying Value	Below 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Total
<b>Non Derivative Liabilities</b>								
Long Term Loans*	6,452.00	143.59	145.17	6,740.75	-	-		7029.51 #

\*Including interest

#Upfront arranger fee of Rs. 6.37 Crore is not included.

**NOTE 35. STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFs) AT SPV LEVEL (PIL):**

(Rs. in Crore)

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Profit /(loss) after tax as per Statement of profit and loss (standalone) (A)</b>	<b>(239.12)</b>	500.98
<b>Adjustments:-</b>		
Add: Depreciation, impairment and amortisation as per statement of profit and loss. In case of impairment reversal, same needs to be deducted from profit and loss.	<b>905.31</b>	934.85
Add: Interest and Additional Interest (as defined in the NCD terms) debited to Statement of profit and loss in respect of loans obtained / debentures issued to Trust (net of any reduction or interest chargeable by Project SPV to the Trust).	<b>591.53</b>	608.61
Add / (Less): Increase / (decrease) in net working capital deployed in the ordinary course of business.	<b>586.00</b>	5.87
Add / (Less): Expenditure Component Sweep as defined in the NCD Terms	-	-
Add / (Less): Net Contracted Capacity Payments (CCP)	<b>(824.97)</b>	(464.86)
Less: Capital expenditure, if any	<b>(56.77)</b>	(46.77)



(Rs. in Crore)		
Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Add / (Less): Any other item of non-cash expense / non cash income (net of actual cash flows for these items), if deemed necessary by the Investment Manager, including but not limited to (a) Any decrease/increase in carrying amount of an asset or a liability recognised in statement of profit and loss and expenditure on measurement of the asset or the liability at fair value (b) Interest cost as per effective interest rate method (difference between accrued and actual paid) (c) Deferred tax (d) Lease rent recognised on straight line basis.	533.82	(517.25)
Less: Amount reserved for expenditure / payments in the intervening period till next proposed distribution, if deemed necessary by the Investment Manager, invested in permitted investments including but not limited to (a) Amount reserved for major maintenance which has not been provided in statement of profit and loss. (b) Amount retained / reserved for specified purposes including working capital requirements	(506.74)	-
<b>Total Adjustments (B)</b>	<b>1,228.18</b>	520.45
<b>Net Distributable Cash Flows (C)=(A+B)*</b>	<b>989.06</b>	1,021.43

\*The difference between SPV NDCF and the Cash flows / Proceeds received by Trust from SPV is primarily on account of utilization of opening Funds at the SPV level for the year ended 31 March 2024.

#### STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFs) AT TRUST LEVEL (IIT):

(Rs. in Crore)		
Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows received from Portfolio Assets in the form of interest	591.53	608.61
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.	5.10	-
Cash flows/ Proceeds from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust*	479.85	449.80
<b>Total cash flow at the InvIT level (A)</b>	<b>1,076.48</b>	1,058.41
Less: Any payment of fees, interest and expense incurred at the Trust level, including but not limited to the fees of the Investment Manager, Trustee, Project Manager, Auditor, Valuer, credit rating agency and the Debenture Trustee.	(12.74)	(10.50)
Less: Income tax (if applicable) at the standalone Trust level and payment of other statutory dues.	(1.19)	(1.00)
<b>Total cash outflows/retention at the Trust level (B)</b>	<b>(13.93)</b>	(11.50)
<b>Net Distributable Cash Flows (C) = (A+B)</b>	<b>1,062.55</b>	1,046.91

\* Includes Rs. 138.10 Crore received as advance from Pipeline Infrastructure Limited (SPV) as per the provisions of the Debenture Trust Deed. (Previous year Rs. 134.97 Crore)

The Net Distributable Cashflows (NDCF) as above is distributed as follows in the respective manner:

(Rs. in Crore)

For the year ended March 31, 2024	Return of Capital	Return on Capital	Miscellaneous Income	Total
April 18, 2023	121.74	138.15	-	259.89
July 19, 2023	119.17	144.08	-	263.25
October 18, 2023	118.21	143.78	-	261.99
January 17, 2024	120.72	62.53	4.68	187.93
<b>Total</b>	<b>479.84</b>	<b>488.54</b>	<b>4.68</b>	<b>973.06</b>

(Rs. in Crore)

For the year ended March 31, 2023	Return of Capital	Return on Capital	Miscellaneous Income	Total
April 20, 2022	104.64	147.22	-	251.86
July 19, 2022	115.05	151.72	-	266.77
October 18, 2022	115.95	151.21	-	267.16
January 18, 2023	114.16	146.80	-	260.96
<b>Total</b>	<b>449.80</b>	<b>596.95</b>	<b>-</b>	<b>1,046.75</b>

#### NOTE 36. LONG TERM CONTRACT

The Trust has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Trust has reviewed and ensured that adequate provision as required under any law / accounting standard has been made in the books of accounts.

#### NOTE 37. OTHER STATUTORY INFORMATION

- (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:-  
Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or-  
Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:-  
Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or-  
Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Group does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (iv) The provisions of section 135 of the Companies Act, 2013, and rules made thereunder are applicable to the SPV for FY 2023-24 and 2022-23, however, the SPV was not required to make any expenditure towards CSR activity during the years under review. Being a responsible corporate citizen, and pursuant to the approval of its Board, the SPV had provisioned Rs. 1.15 Crore to be utilized towards the CSR initiatives by the SPV during both these years. SPV's CSR activities were mainly focused towards health and sanitation, education, sustainable livelihood and rural development. These provisions are not applicable to the Trust.

**NOTE 38. SUBSEQUENT EVENTS**

On a review of the Business operations of the group, review of minutes of meetings, review of the Trial Balances of the periods subsequent to March 31, 2024, there are no subsequent events that have taken place requiring reporting in the financials for the year ended March 31, 2024, other than as disclosed below.

The Net Distributable Cashflows (NDCF) is distributed as follows in the respective manner after March 31, 2024:

(Rs. in Crore)

Particulars	Return of Capital	Return on Capital	Miscellaneous Income	Total
April 18, 2024	128.14	248.05	1.42	<b>377.61</b>
	<b>128.14</b>	<b>248.05</b>	<b>1.42</b>	<b>377.61</b>

**NOTE 39.**

The previous year figures have been regrouped wherever necessary to make them comparable with those of current year.

**NOTE 40. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements have been approved by the Board of Directors of the Investment Manager to the Trust in its meeting held on May 24, 2024.

**For and on behalf of the Board of Directors of  
Brookfield India Infrastructure Manager Private Limited**  
(as Investment Manager of India Infrastructure Trust)

**Akhil Mehrotra**  
Managing Director of  
Brookfield India  
Infrastructure Manager  
Private Limited  
DIN: 07197901  
Place: Navi Mumbai

**Suchibrata Banerjee**  
Chief Financial Officer of  
Brookfield India  
Infrastructure Manager  
Private Limited  
PAN: AIGPB7900G  
Place: Navi Mumbai

**Vikas Prakash**  
Company Secretary &  
Compliance Officer of  
Brookfield India  
Infrastructure Manager  
Private Limited  
ACS No. 21117  
Place: Navi Mumbai  
**Date : May 24, 2024**

NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

NOTES

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across its entire width, providing a guide for handwriting or typing. The paper itself is a clean, off-white color. There are no margins, text, or other markings present on the page.

## INDIA INFRASTRUCTURE TRUST

**Principal Place of Business:** Seawoods Grand Central, Tower-1, 3rd Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Navi Mumbai, Thane, Maharashtra - 400706, India; Tel: +91 22 3501 8000;

**Email:** [compliance@pipelineinvit.com](mailto:compliance@pipelineinvit.com); **Website:** [www.pipelineinvit.com](http://www.pipelineinvit.com)