PenBrook Capital Advisors

Date: May 30, 2019

BSE Limited
Listing Department,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400001

Reference: India Infrastructure Trust (Scrip Code 542543)
Subject: Audited Standalone Financial Information for the financial year ended March 31, 2019

Dear Sir,

This is further to our intimation dated May 23, 2019 and May 29, 2019 regarding the date of Board Meeting of PenBrook Capital Advisors Private Limited, acting in its capacity as Investment Manager of India Infrastructure Trust ('InvIT'), for consideration of inter—alia, the audited standalone and consolidated financial information of the InvIT for the year ended March 31, 2019.

The Board of Directors of the Investment Manager in their meeting held on May 30, 2019 (which commenced at 9 p.m. and concluded at 11:50 p.m.) have approved the audited standalone and consolidated financial information of the InvIT for the year ended March 31, 2019.

We are attaching herewith the audited standalone financial information along with audit report issued by the Statutory Auditors of the InvIT for the financial year ended March 31, 2019.

We request you to kindly take the above on record.

Thanking you,

For **India Infrastructure Trust**

PenBrook Capital Advisors Private Limited
(acting in its capacity as the Investment Manager to India Infrastructure Trust)

Sridhar Rengan
Director

CC: Axis Trustee Services Limited, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025, Maharashtra, India

PenBrook Capital Advisors Private Limited
(Formerly Known as Peninsula Brookfield Investment Manager Pvt Ltd.)
1, Peninsula Spenta Mathuradas Mills
Senapati Bapat Marg, Lower Parel
Mumbai 400 013. India
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CIN : U74120MH2011PTC224370

Deloitte Haskins & Sells LLP

Chartered Accountants
Lotus Corporate Park
1st Floor, Wing A - G
CTS No.185/A, Jay Coach
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Goregaon (East)
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Maharashtra, India

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INDEPENDENT AUDITOR'S REPORT

To India Infrastructure Trust
Report on the Audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of India Infrastructure Trust ("the Trust"), which comprise the Balance Sheet as at 31st March, 2019, Statement of Profit and Loss including Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Unit holders Equity for the period 22nd November 2019 to 31st March 2019 (" the Period"), and the Statement of Net Assets at Fair Value and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs) for the Period and a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Trust as at March 31, 2019, and its loss, total comprehensive loss, its cash flows for the period then ended.

Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) and other pronouncements issued by the Institute of Chartered Accountants of India (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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

4. The Investment Manager is responsible for the other information. The other information comprises the information and disclosures included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

6. 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.

7. When we read the information and disclosures Annual Report, 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'

Managements Responsibility for the Standalone Ind AS Financial Statements

8. The Management of Penbrook Capital Advisors Private Limited ('Investment Manager), is responsible for the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position as at March 31, 2019, financial performance including other comprehensive income, cash movements and the movement of the unit holders funds for the Period ended March 31, 2019, in accordance with the Ind AS and other accounting principles generally accepted in India and the InvIT Regulations.

9. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

12. 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.

13. 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for 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 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.

14. 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.

15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

16. 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.

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

Report on Other Legal and Regulatory Requirements

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

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

b) The balance sheet, and statement of profit and loss are in agreement with the books of account of the Trust; and

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

d) In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the disclosures, in accordance with the InvIT Regulations, in respect of the net assets at fair value as at March 31, 2019, the total returns at fair value for the period ended March 31, 2019 and the Net distributable cash flows for the period then ended.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Anjum A. Qazi
Partner
(Membership No. 104968)

Place: MUMBAI,
Date: May 30, 2019

India Infrastructure Trust

Standalone Balance Sheet as at 31st March, 2019

	Notes	(Rs. in Crore) As at 31st March, 2019
ASSETS		
Non-Current Assets		
Investment in Subsidiary	4	50.00
Financials Assets		
(i) Investments	5	12,950.00
(ii) Other Financial Assets	6	4.42
Total Non-Current Assets		13,004.42
Current Assets		
Financial Assets		
(i) Cash and Cash Equivalents	7	24.60
(ii) Other Financials Assets	8	23.09
Total Current Assets		47.69
Total Assets		13,052.11
EQUITY AND LIABILITIES		
Equity		
Unit Capital	9	6,640.00
Other Equity		
Retained earning	10	(62.19)
Total Unit Holders' Equity		6,577.81
Liabilities		
Non-Current Liabilities		
Financial Liabilities		
- Borrowings	11	6,370.00
- Other Financial Liabilities		42.70
Total Non-Current Liabilities		6,412.70
Current Liabilities		
Financial Liabilities		
Other Financial Liabilities	12	13.25
Other Current Liabilities	13	48.35
Total Current Liabilities		61.60
Total Liabilities		6,474.30
Total Equity and Liabilities		13,052.11

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Anjum A. Qazi
Partner

Place Mumbai
Date : 30/5/19

For and on behalf of the Board of Directors of
Penbrook Capital Advisors Pvt. Ltd.
(as Investment Manager of India Infrastructure Trust)

INDIA INFRASTRUCTURE TRUST
MUMBAI

Sridhar Rengan
Director
DIN 03139082

Chetan Desai
Director
DIN 03595319

Place : Mumbai
Date : 30/05/2019

India Infrastructure Trust

Standalone Statement of Profit and Loss for the period from November 22, 2018 to 31st March, 2019

	Notes	(Rs. in Crore) Period ended 31st March, 2019
INCOME		
Revenue from Operations	14	31.09
Other Income	15	4.42
Total Income		**35.51**
EXPENSES		
Valuation Expenses		0.16
Investment Manager Fee		0.40
Registration Expenses for Units/NCD		1.38
Trustee Fee		0.02
Arranger Fee (for NCD)		31.85
Audit Fees		0.20
Other Expenses	16	49.12
Finance Costs	17	14.57
Total Expenses		**97.70**
Profit / (Loss) before Tax		**(62.19)**
Tax Expenses		
Current Tax		-
Deferred Tax		-
Profit / (Loss) for the period		**(62.19)**
Other Comprehensive Income/(Loss)		
Items that will not be reclassified to statement of profit and loss		-
Total Comprehensive Income for the period		**(62.19)**
Earnings per unit of face value of Rs. 100 each	18	
- For Basic (Rs.)		(12.18)
- For Diluted (Rs.)		(12.18)

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Anjum A. Qazi
Partner

Place : Mumbai
Date : 30/5/19

For and on behalf of the Board of Directors of
Penbrook Capital Advisors Pvt. Ltd.
(as Investment Manager of India Infrastructure Trust)

Sridhar Rengan
Director
DIN 03139082

Chetan Desai
Director
DIN 03595319

INDIA INFRASTRUCTURE TRUST
MUMBAI

Place : Mumbai
Date : 30/05/2019

India Infrastructure Trust

Standalone Statement of Cash Flows for the period from November 22, 2018 to March 31, 2019

		(Rs. in Crore) **Period ending 31st March, 2019**
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss		**(62.19)**
Adjusted for:		
Interest Income	(31.09)	
Finance Costs	14.57	
Fair Value measurement gains on put option	(4.42)	
Fair Value measurement losses on call option	42.70	
		21.76
Operating profit / (loss) before working capital changes		**(40.43)**
Other Current Financial Liabilities	47.03	
		47.03
Net Cash Flow from / (used in) Operating Activities		**6.60**
` CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Acquisition of equity shares of Subsidiary		**(50.00)**
Subscribing to Non convertible debentures of Subsidiary		**(12,950.00)**
Interest Income Received		**8.00**
Net Cash Flow from / (used in) Investing Activities		**(12,992.00)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Units		**6,640.00**
Proceeds from Long Term Borrowings -NCDs		**6,370.00**
Net Cash Flow from / (used in) Financing Activities		**13,010.00**
Net Increase in Cash and Cash Equivalents		**24.60**
Closing Balance of Cash and Cash Equivalents (Refer Note 7)		**24.60**

Note:
The figures in brackets represents cash outflow

The accompanying notes form an integral part of Standalone Financial Statements.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Anjum A. Qazi
Partner

Place : Mumbai
Date : 30/5/19.

For and on behalf of the Board of Directors of
Penbrook Capital Advisors Pvt. Ltd.
(as Investment Manager of India Infrastructure Trust)

Sridhar Rengan
Director
DIN 03139082

Chetan Desai
Director
DIN 035 DIN

INDIA INFRASTRUCTURE TRUST
MUMBAI

Place : Mumbai
Date : 30/05/2019

India Infrastructure Trust

Standalone Statement of Changes in Unit Holder's Equity for the period ended 31st March, 2019

(Rs. in Crore)

A. UNIT CAPITAL	Balance as at the beginning of the reporting period i.e. 22nd November, 2018	Changes in Units during the period 22nd November, 2018 to 31st March, 2019	Balance as at the end of the reporting period i.e. 31st March, 2019
Unit Capital	-	6,640.00	6,640.00
	-	6,640.00	6,640.00

B. OTHER EQUITY

	Retained Earnings	Other Comprehensive Income (OCI)	Total
As at 31st March, 2019			
Balance as at the beginning of the reporting period i.e. 22nd November, 2018	-	-	-
Additions / (Deletions)	-	-	-
Total Comprehensive Income for the Period	(62.19)	-	(62.19)
Balance as at the end of the reporting period i.e. 31st March, 2019	**(62.19)**	**-**	**(62.19)**

The accompanying notes form an integral part of Standalone Financial Statements.

India Infrastructure Trust

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

A. Standalone Statement of Net Assets at Fair Value as at 31st March, 2019

(Rs. in Crore)

Particulars	Book Value	Fair Value
A. Assets*	13,047.69	14,056.00
B. Liabilities at Book value**	6,431.60	6,474.30
C. Net Assets (A-B)	6,616.09	7,581.70
D. Number of Units (No. in Crore)	66.40	66.40
E. NAV (C/D)	99.64	114.18

*Total Assets includes the Fair Value of the Enterprise Value attributable to the InvIT as at March 31, 2019 and a provision for the put option entered with Reliance Industries Limited in respect of PIL shares. Both assets are valued as per valuation reports issued by independent valuers appointed under the InvIT Regulations and relied on by the Statutory Auditors.

**Total Liabilities includes the Fair Value of the call option with Reliance Industries Limited in respect of PIL shares. The liability is valued as per a valuation report issued by an independent valuer and relied on by the Statutory Auditors.

B. Standalone Statement of Total Returns at Fair Value as at 31st March 2019

(Rs. in Crore)

Particulars	For the period Ending 31st March, 2019
Total Comprehensive Income (As per the Statement of Profit and Loss)	(62.19)
Add/(less): Other Changes in Fair Value (e.g., in investment property, property, plant & equipment (if cost model is followed)) not recognized in Total Comprehensive Income	965.61
Total Return	903.42

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

C. Initial Disclosure by an entity identified as a Large Corporate

Sr. No.	Particulars	Details
1	Name of the Company/InvIT	India Infrastructure Trust
2	CIN/SEBI Registration No.	IN/InvIT/18-19/0008
3	Outstanding borrowing of company as on 31st March/ 31st December, as applicable (in Rs Cr)	Rs. 6370 Crores (63,700 Secured, Rated, Listed, Redeemable Non-convertible Debentures in the denomination of Rs. 10,00,000 each ('NCDs') issued and allotted by India Infrastructure Trust ("Trust") on March 22, 2019*
4	Highest Credit Rating during the previous FY along with name of the Credit Rating Agency	AAA/Stable by CARE Ratings AAA/Stable by CRISIL
5	Name of Stock Exchange# in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

*The NCDs have been redeemed by the InvIT in full on April 23, 2019. Thus the InvIT was considered as a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 as on March 31, 2019. However, it has ceased to be a Large Corporate on April 23, 2019 consequent upon the redemption of NCDs in full.

India Infrastructure Trust
Notes to the Financial Statements for the period ended 31st March, 2019

A Corporate Information

India Infrastructure Trust (The "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 23rd January, 2019 having registration number IN/InVIT/18-19/0008. It has its principal place of business at Unit 804, 8th Floor, A Wing, One BKC, Bandra Kurla Complex, Bandra (East), Mumbai 400051. Sponsor of the Trust is Rapid 2 Holdings Pte Ltd., a company registered in Singapore. The Trustee to the Trust is Axis Trustee Services Limited (the "Trustee"). Investment Manager for the Trust is Penbrook Capital Advisors Pvt. Ltd. (the "Investment Manager"). The address of the registered office of the Investment Manager is 1, Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.

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 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 20th March,2019 from the Stock Exchange vide BSE notice dated 19th March, 2019.

On 22nd March, 2019 Trust acquired 100% controlling interest in Pipeline Infrastructure Limited (PIL) (formerly known as Pipeline Infrastructure Private Limited), acquisition of equity shares was done on 18th March, 2019. PIL has acquired 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 (the "Pipeline Business") from East West Pipeline Limited ("EWPL"). The Pipeline connects certain supply hubs and demand centres located in the eastern and western India for transportation of natural gas. It connects gas sources in the KG Basin 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. The Pipeline includes a network of 11 compressor stations and two operation centres, which incorporate modern telecommunication, emission control and operational systems for safe and efficient operations.

B Significant Accounting Policies

B.1 Basis of Accounting and Preparation of Financial Statements

These financial statements are the separate financial statements of the Trust for the period ending 31st March, 2019 prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value (Refer accounting policy regarding financial Instruments).

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.

B.2 Use of estimates and judgements

The preparation of these 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.
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 period, are in respect of impairment of investments, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

B.3 Summary of Significant Accounting Policies

a Cash and cash equivalents

Cash and cash equivalents includes cash at banks and escrow account. 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.

c Tax Expenses

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 period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

d Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

Interest income :

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.

Dividends :

Dividend is recognised when the right to receive is established.

e **Current and non-current classification**

The Trust presents assets and liabilities in the 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Trust has identified twelve months as its normal operating cycle.

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 30.

g Off-setting financial Instrument

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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 (EPU)

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.

i Classification of Unitholders' fund

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

j Contingent liabilities and contingent assets

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

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

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

k 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.

Investments in subordinate debt are measured at FVTPL.

l Cash dividend distribution to unit holders

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

m Borrowing Costs

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Trust incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n Financial instruments

i) Financial Assets

A. Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

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.

C. 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.

C. Critical Accounting Judgements and Key Sources of Estimation Uncertainty:

The preparation of the Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. 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.

a Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many Periods in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

D. STANDARDS ISSUED NOT EFFECTIVE

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has released notification of Ind AS 116- leases and certain amendments to existing Ind AS. These amendments shall be applicable to the Trust from April 01, 2019.

a) Issue of Ind AS 116 - Leases

Ind AS 116 will supersede the current leases i.e. Ind AS 17- Leases. As per Ind AS 116, the lessor will have to bring to books all the non-cancellable portion of operating leasing arrangement.

b) The MCA has also carried out amendments in following accounting standards:

1. Ind AS 101 - First time adoption of Indian Accounting Standards
2. Ind AS 103 - Business Combinations
3. Ind AS 107- Financial Instruments: Disclosures
4. Ind AS 109 - Financial Instruments
5. Ind AS 111 – Joint Arrangements
6. Ind AS 113 - Fair Value Measurement
7. Ind AS 115 - Revenue from Contracts with Customers
8. Ind AS 1 - Presentation of Financial Statements
9. Ind AS 2 - Inventories Accounting
10. Ind AS 7 - Statement of Cash Flows
11. Ind AS 12 - Income Taxes
12. Ind AS 16 - Property, Plant and Equipments
13. Ind AS 19 – Employee Benefits
14. Ind AS 21 - The Effect of Changes in Forein Exchange Rates
15. Ind AS 23 - Borrowing Costs
16. Ind AS 28 - Investment in Associates and Joint Ventures
17. Ind AS 32 - Financial Instrument : Presentation
18. Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
19. Ind AS 38 - Intangible Assets
20. Ind AS 40 - Investment Property

Application of above standards are not expected to have any significant impact on the Trust's Financial Statements.

India Infrastructure Trust

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

	(Rs. in Crore) As at 31st March, 2019
NOTE 4 - INVESTMENTS IN SUBSIDIARY	
Equity investments, at cost (unquoted)	
5,00,00,000 equity shares of Rs.10/- each of Pipeline Infrastructure Limited	50.00
TOTAL	50.00
Additional Information	
Aggregated Value of Unquoted Investments	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

NOTE 5. NON CURRENT FINANCIAL INVESTMENTS

Investments in Non Convertible Debenture (NCD) (at FVTPL)	
12,95,00,000 secured NCDs of Rs. 1,000 each issued by Pipeline Infrastructure Limited	12,950.00
TOTAL	12,950.00
Additional Information	
Aggregated Value of Unquoted Investments	12,950.00
Aggregated Value of Quoted Investments	-
Aggregate provision for increase / diminution in the value of Investments	-

	As at 31st March, 2019
NOTE 6. NON CURRENT FINANCIAL ASSETS	
Put option on PIL shares	4.42
	4.42

As per the terms agreed by the Trust, the Investment Manager, Pipeline Infrastructure Limited (PIL) and Reliance Industries Holdings Private Limited (RIHPL), Reliance Industries Limited(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 Crores or the fair value at the conversion date, whichever is lower. Correspondingly, the Trust has right, but not the obligation, to sell its entire stake in PIL to RIL for a consideration of Rs. 50 Crores after a specific term or occurrence of certain events.

	As at 31st March, 2019
NOTE 7. CASH AND CASH EQUIVALENTS	
Balance with Banks	
In Escrow Account	24.60
TOTAL	24.60

Note : The conditions precedent to the escrow account have been fulfilled and consequently balance is freely available for utilisation.

	As at 31st March, 2019
NOTE 8. OTHER FINANCIAL ASSETS	
Interest accrued but not due on NCD investment	23.09
	23.09

	(Rs. in Crore) **As at 31st March, 2019**
NOTE 9. UNIT CAPITAL	
9.1 Unit Capital	
Issued, subscribed and fully paid up unit capital 66,40,00,000 units of Rs. 100 each	**6,640.00**
TOTAL	**6,640.00**

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 dividend distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays dividends in Indian rupees.

A Unitholder has no equitable or proprietary interest in the projects of Trust and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof). 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

9.2 Information on unitholders holding more than 5% of Unit Capital

Name of Unitholder	**Relationship**	**As at March 31, 2019**	
		No of Unit held	**Percentage**
Rapid Holdings 2 Pte. Ltd.	Sponsor	56,88,00,000	**85.66%**
ICICI Prudential Equity & Debt Fund	Unitholder	3,50,00,000	**5.27%**

9.3 Reconciliation of the units outstanding at the beginning and at the end of the reporting period :

Particulars	**As at 31st March, 2019 No. of Units**
Units at the beginning of the period	-
Issued during the period	**66,40,00,000**
Units at the end of the period	**66,40,00,000**

NOTE 10. OTHER EQUITY	**As at 31st March, 2019** (Rs. in Crore)
Retained earnings	
Profit / (Loss) for the period	(62.19)
TOTAL	**(62.19)**

India Infrastructure Trust

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

	(Rs. in Crore) As at **31st March, 2019**
NOTE 11. BORROWINGS	
DEBENTURES - AT AMORTISED COST	
Secured	
Non Convertible Debentures (NCDs) (63,700 NCDs of Rs. 10,00,000 each)	**6,370.00**
TOTAL	**6,370.00**

Note :

11.1 **Secured by**

First pari-passu charge on: Pledge over investment to NCDs of PIL held by the Trust so as to provide a cover of 1.5x of the outstanding balance of the borrowing (balance of PIL shall be subject to a negative lien and may not be secured or disposed of);

Pledge of, on a first ranking basis, all of the Trust's rights, title, interest, benefits, claims and demands whatsoever in, to, under, or in respect of the Collateral, existing now or hereinafter, delivered as Security for due discharge, redemption and repayment of the Secured Obligations, upon the terms and conditions and in accordance with the procedure set forth in the hypothecation agreement.

Hypothecation of the rights, title, interests, benefits, claims and demands, present and future of the Issuer in, to, or in respect of the Receivables, the Accounts and all the amounts lying therein, from time to time, together with the Designated Bank Account Credit Balance.

11.2 Coupon rate of 9.2786% payable quarterly

11.3 All the above NCDs have been redeemed by India Infrastructure Trust on April 23, 2019

NOTE 12. OTHER CURRENT FINANCIAL LIABILITIES	**As at 31st March, 2019**
Interest accrued and not due on NCDs	13.25
TOTAL	**13.25**

NOTE 13. OTHER CURRENT LIABILITIES	**As at 31st March, 2019**
Statutory liabilities payable	4.64
Payable to Related Party (Refer note No.19 on Related Party):	
(a) Reimbursement of expenses payable	2.05
(b) Advances payable	6.61
Arranger Fee Payable	34.40
Trustee Fee Payable	0.02
Payable to others	0.63
TOTAL	**48.35**

India Infrastructure Trust
Notes to the Standalone Financial Statements for the period ended 31st March, 2019

(Rs. in Crore)

	For the period ending 31st March, 2019
NOTE 14. REVENUE FROM OPERATIONS	
Operating Income	
Income from Interest on Investment in Non Convertible Debenture	31.09
TOTAL	31.09

	For the period ending 31st March, 2019
NOTE 15. OTHER INCOME	
Fair Valuation of put option	4.42
TOTAL	4.42

	For the period ending 31st March, 2019
NOTE 16. OTHER EXPENSES	
Bank Charges	0.01
Demat Charges	0.32
Duties, Rates and Taxes	5.85
Professional fee	0.24
Fair value of call option*	42.70
TOTAL	49.12

*Refer Note 6 for explanation to call option

	For the period ending 31st March, 2019
NOTE 17. FINANCE COSTS	
Interest Expenses	14.57
TOTAL	14.57

India Infrastructure Trust

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

NOTE 18. EARNINGS PER UNIT (EPU)

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

i)	Net Profit / (Loss) as per Statement of Profit and Loss attributable to Unit Holders (Rs. in	(62.19)
ii)	Weighted Average number of Units used as denominator for calculating Basic EPU	5,10,76,923.08
	Reporting period (in days)	130
	Units allotted (in days)	10
iii)	Weighted Average number of Potential Units	5,10,76,923.08
iv)	Total Weighted Average number of Units used as denominator for calculating Diluted EPU	5,10,76,923.08
v)	Earnings per unit of face value of Rs. 100 each	
	- For Basic (Rs.)	(12.18)
	- For Diluted (Rs.)	(12.18)

NOTE 19. RELATED PARTY DISCLOSURES

As per SEBI INVIT regulations, disclosure of transactions with related party are as given below.

(i) List of Related Parties

Subsidiaries	Pipeline Infrastructure Limited (PIL)(Formerly Pipeline Infrastructure Pvt. Ltd)
Parties to the Trust (as per SEBI INVIT regulation)	Rapid Holdings 2 Pte Ltd (Sponsor) Penbrook Capital Advisors Pvt. ltd. (Investment manager) ECI India Managers Private Limited (Project Manager) Axis Trustee Services Ltd (Trustee)

(ii) Related party transactions during the period (Rs. in Crore)

Sr. No	Particulars	Relations	Period ending 31st March, 2019
1)	**Interest Income** Pipeline Infrastructure Ltd.	Subsidiary	**31.09**
2)	**Trustee Fee** Axis Trustee Services Ltd.	Trustee	**0.02**
3)	**Investment management fee** Penbrook Capital Advisors Pvt. Ltd.	Investment manager	**0.40**
4)	**Units issued** Rapid Holdings 2 Pte Ltd	Sponsor	**5,688.00**
5)	**Investment in NCD** Pipeline Infrastructure Ltd.	Subsidiary	**12,950.00**
6)	**Investment in Equity Shares** Pipeline Infrastructure Ltd.	Subsidiary	**50.00**
7)	**Professional fee** Penbrook Capital Advisors Pvt. Ltd.	Investment manager	**0.22**
8)	**Registration Expenses** Rapid Holdings 2 Pte Ltd	Sponsor	**1.38**

(iii) **Balances at the end of period**

Sr. No	Particulars	Relations	Period ending 31st March, 2019
1)	**Reimbursement of Expense payable**		
	Rapid Holdings 2 Pte Ltd	Sponsor	**1.38**
	Penbrook Capital Advisors Pvt. ltd.	Investment Manager	**0.67**
2)	**Advance Received**		
	Pipeline Infrastructure Ltd.	Subsidiary	**6.61**
3)	**Trustee Fee Payable**		
	Axis Trustee Services Ltd.	Trustee	**0.02**
4)	**Interest receivable**		
	Pipeline Infrastructure Ltd.	Subsidiary	**23.09**
5)	**Investment in Equity Shares**		
	Pipeline Infrastructure Ltd.	Subsidiary	**50.00**
6)	**Investment in NCD**		
	Pipeline Infrastructure Ltd.	Subsidiary	**12,950.00**
7)	**Units issued**		
	Rapid Holdings 2 Pte Ltd	Sponsor	**5,688.00**

NOTE 20. FINANCIAL INSTRUMENTS

Valuation

Following financial instruments are initially recognized and subsequently re-measured at fair value as described below:

a) The fair value of Non convertible debenture is determined using discounted cash flow method at the balance sheet date using probability weighted assessment of range of possible business outcome.

b) Option contracts are assigned prices using formula Black-Scholes model.

As per the terms agreed by the Trust, the Investment Manager, PIL and RIHPL, RIL has the right, but not the obligation, to purchase the entire equity stake of the Trust in PIPL after a specific term or occurrence of certain events for a consideration of Rs. 50 crores. Correspondingly, the Trust has right, but not the obligation, to sell its entire stake in PIPL to RIL for a consideration of Rs.50 crores after a specific term or occurrence of certain events.

Fair value measurement hierarchy:

(Rs. in Crore)

Particulars	**As at 31st March, 2019**			
	Carrying Amount	**Level of input used in**		
		Level 1	**Level 2**	**Level 3**
Financial Assets				
At Amortised Cost*				
Investments In Subsidiary	50.00			
Cash and Cash Equivalents	24.60			
Other Financial Assets	23.09			
At FVTPL				
Non Current Financial Assets	12950.00			12,950.00
Other Non Current Financial Assets	4.42			4.42
Financial Liabilities				
At Amortised Cost*				
Borrowings	6,370.00			
Other Current Financial Liabilities	13.25			
Other Current Liabilities	48.35			

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

* Management believes the carrying value approximates the fair value

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. Trust's liquidity is managed centrally with operating units forecasting their cash and liquidity requirements.

The Trust's liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surplus from across the different operating units and then arranges to either fund the net deficit or invest the net surplus in the market.

Maturity Profile of Financial Liabilities as on 31st March, 2019 (Rs. in Crore)

Particulars	3-12 months	1-5years	More than 5 years	Total
Non Derivative Liabilities	-	-	-	-
Long Term Loans*	-	-	6,370.00	-
Total Borrowings	-	-	6,370.00	-

*The Trust has redeemed entire NCD issued for Rs. 6,370 crores on 23rd April, 2019

21. Statement of Net Distributable Cash Flows (NDCFs) (Rs. in Crore)

Particulars	Amount
Cash flows received from Portfolio Assets in the form of interest	8.00
Cash flows received from Portfolio Assets in the form of dividend	-
Any other income accruing at the Trust level and not captured above, including but not limited to interest/return on su	-
Cash flows/ Proceeds from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by the Trust	6.61
Proceeds from the Portfolio Assets for a capital reduction by way of a buy back or any other means as permitted, subject to applicable law	-
Proceeds from the sale of assets of the Portfolio Assets not distributed pursuant to an earlier plan to re-invest, or if such proceeds are not intended to be invested subsequently	-
Total cash flow at the InvIT level (A)	**14.61**
Less: one-time re-imbursement of expenses in relation to the Issue undertaken by the Sponsor on behalf of the Trust.	-
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	-
Less: Net cash set aside to comply with DSRA requirement under loan agreements	-
Less: Costs/retentions associated with sale of assets of the Portfolio Assets	-
Relate debts settled or due to be settled from sale proceeds of Portfolio Assets	-
Transaction costs paid on sale of the assets of the Portfolio Assets; and	
Capital gains taxes on sale of assets/shares in Portfolio Assets/other investments	
Less: Proceeds reinvested or planned to be reinvested in accordance with Regulation 18(7)(a) of the SEBI InvIT	-
Less: Repayment of external debt at the Trust level and at the level of any of the underlying portfolio assets/special purpose vehicles (excluding refinancing)	-
Less: Income tax (if applicable) at the standalone Trust level	-
Less: Amount invested in any of the InvIT Assets for service of debt or interest	-
Less: Reserve for debentures/ loans/ capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-
Total cash outflows/retention at the Trust level (B)	-
Net Distributable Cash Flows (C) = (A+B)	**14.61**

The Net Distributable Cash Flows ("NDCF") as above is for the period ended March 31, 2019. An amount of Rs. 64.66 crores has been distributed as return of capital to unit holders on 16th April, 2019.

NOTE 22. 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.

NOTE 23. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED Act, 2006

There are no Micro and Small Enterprises as defined in the Micro and Small Enterprises Development Act, 2006 to whom the Trust owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro and Small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the Trust.

NOTE 24: SUBSEQUENT EVENT

1) On 6th April, 2019 , the InvIT committee of the Investment Manager of the Trust approved a distribution of Rs. 0.9738 per unit as Return of Capital. 13th April, 2019 was declared as record date for distribution to unit holder and the same was paid on 16th April, 2019.

2) The Trust has redeemed entire NCD issued for Rs. 6,370 crores on 23rd April, 2019.

3) On 23rd April, 2019, PIL has redeemed 6,45,20,000 Non-Convertible Debentures of Rs. 1000 each at par aggregating to Rs. 6452 crores out of 12,95,00,000 NCDs issued on 22nd March, 2019.

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

5) The financial statements have been approved by the Board of Directors of Investment Manager to the Trust in its meeting held on 30th May, 2019

NOTE 25. CONTINGENT LIABILITITIES AND COMMITMENTS (to the extent not provided for)

Contingent Liabilities	-
Commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-

NOTE 26. 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 27. CAPITAL MANAGEMENT

The Trust adheres to a disciplined Capital Management framework which is underpinned by the following guiding principles;

a) Maintain financial strength to ensure AAA ratings

b) Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

c) 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 period was as follows:

(Rs. in Crore)

	As at 31st March, 2019
Gross Debt	6,370.00
Cash and Marketable Securities	24.60
Net Debt (A)	**6,345.40**
Total Equity (As per Balance Sheet) (B)	**6,640.00**
Net Gearing (A/B)	**0.96**

Note 28 Previous period's Figure

The current financial statements have been prepared for a period from 22nd November, 2018, i.e., date of formation of the Trust to 31st March, 2019. Hence, this being the first financial statements previous period figures are not applicable.

PenBrook Capital Advisors Private Limited

Consolidated balance sheet

as at 31 March 2019
(Amount in INR)

Particulars	Notes	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,66,550	1,89,827
Other intangible assets	5	-	68,935
Financial assets			
- Investments	6	1,67,00,510	2,26,19,883
- Loans and advances	7	52,98,609	46,69,083
Deferred tax assets (net)	25	4,82,24,032	6,37,95,816
Other non-current assets	8	2,61,391	8,90,917
Total non-current assets		7,06,51,092	9,22,34,461
Current assets			
Financial assets			
- Trade receivables	9	1,07,24,937	1,64,04,989
- Cash and cash equivalents	10	4,84,86,789	5,34,72,117
- Loans and advances	11	34,967	22,580
- Other financial assets	12	46,75,688	80,13,614
Current tax assets (net)	13	1,06,40,832	1,00,51,127
Other current assets	14	1,770	-
Total current assets		7,45,64,983	8,79,64,427
TOTAL ASSETS		14,52,16,075	18,01,98,888
EQUITY AND LIABILITIES			
Equity			
Share capital	15	33,28,75,600	33,28,75,600
Other equity		(20,74,95,501)	(17,03,89,864)
Equity attributable to equity holders of the company		12,53,80,099	16,24,85,736
Non Controlling Interest	16	1,000	1,000
Total equity		12,53,81,099	16,24,86,736
Non-current liabilities			
Long tem provisions	17	13,13,925	17,10,969
Total non current liabilities		13,13,925	17,10,969
Current liabilities			
Financial liabilities			
Trade and other payables	18		
- Total outstanding dues of micro and small enterprises		20,300	-
- Total outstanding dues of creditors other than micro and small enterprises		1,39,79,992	1,00,15,424
Other current liabilities	19	31,87,384	57,81,392
Provisions	20	13,33,375	2,04,367
Total current liabilities		1,85,21,051	1,60,01,183
Total liabilities		1,98,34,976	1,77,12,152
TOTAL EQUITY AND LIABILITIES		14,52,16,075	18,01,98,888

The accompanying notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors of
PenBrook Capital Advisors Private Limited
CIN : U74120MH2011PTC224370

Ashwin Suvarna
Partner
Membership No: 109503

Rajeev Piramal
Director
DIN: 00044983

Sridhar Rengan
Director
DIN: 03139082

Mumbai
Date: 20 May 2019

Sugandha Vaidya
Company Secretary
ACS No. 29610

Mumbai
Date: 20 May 2019

PenBrook Capital Advisors Private Limited

Consolidated statement of profit and loss

for the year ended 31 March 2019
(Amount in INR)

Particulars	*Notes*	31 March 2019	31 March 2018
Incomes			
Revenue from operations	21	2,87,86,217	7,98,40,028
Other income	22	43,47,773	59,84,001
Total income		3,31,33,990	8,58,24,029
Expenses			
Employee benefits expenses	23	2,35,86,394	2,77,89,292
Depreciation and amortization expenses	4	1,30,279	1,22,149
Other expenses	24	3,04,35,216	3,74,08,637
Total expenses		5,41,51,889	6,53,20,079
(Loss) / profit before tax		(2,10,17,900)	2,05,03,950
Tax expense:	25		
Current tax		1,57,010	41,80,512
Excess provision written back		(37,043)	-
Deferred tax charge		1,60,10,594	33,70,040
(Loss) / profit for the year		(3,71,48,461)	1,29,53,398
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit (asset)/liability (net)		42,824	(8,09,706)
Total other comprehensive income/(loss), net of tax		42,824	(8,09,706)
Total comprehensive (loss) / income for the year		(3,71,05,637)	1,21,43,692
Earnings per equity share of par value Rs.10 each	26		
Basic		(1,238.28)	431.78
Diluted		-	3.87

The accompanying notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Ashwin Suvarna
Partner
Membership No: 109503

Mumbai
Date: 20 May 2019

For and on behalf of the Board of Directors of
PenBrook Capital Advisors Private Limited
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