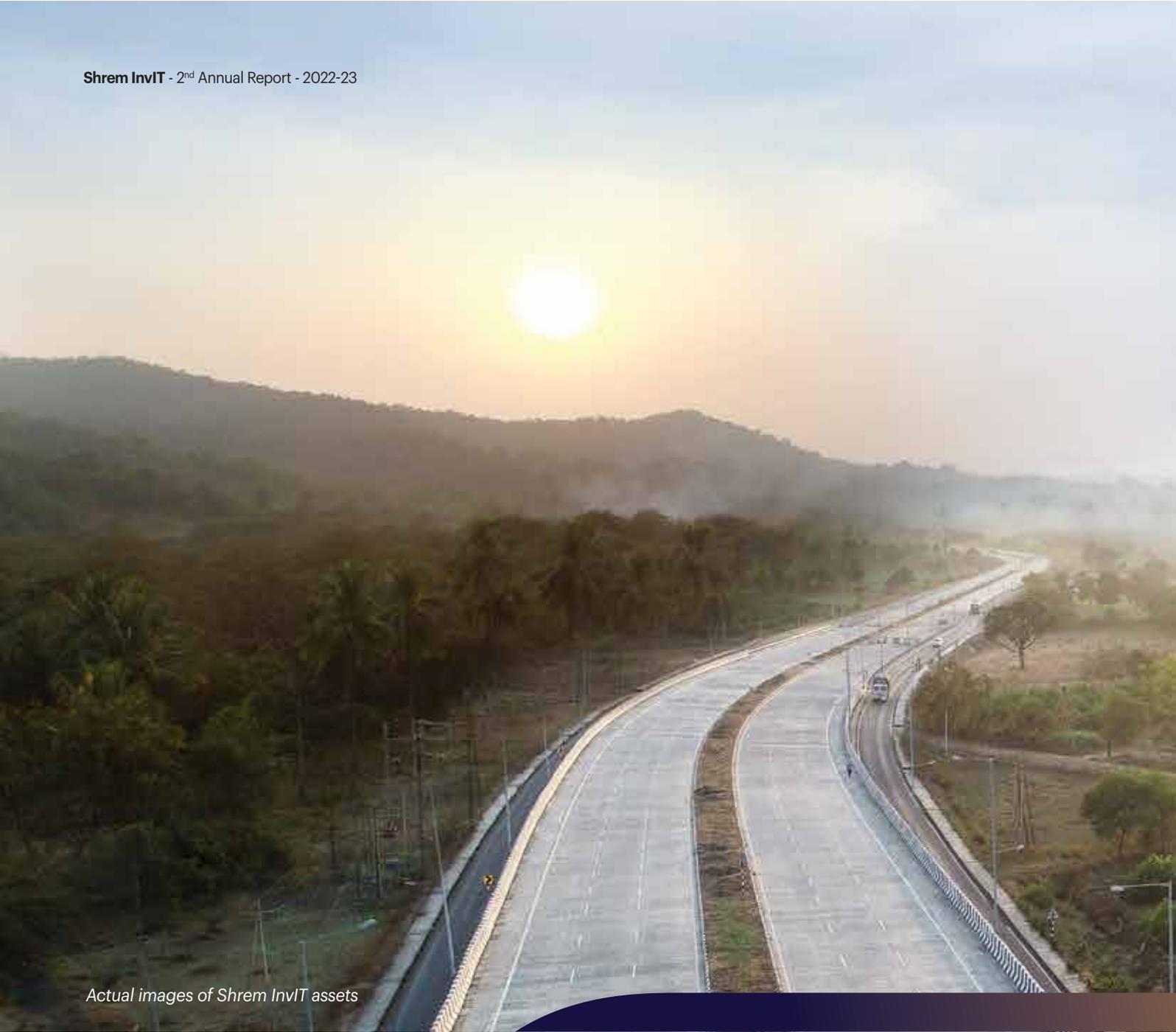




*Actual images of Shrem InvIT assets*

# 2<sup>nd</sup> Annual Report F.Y. 2022-23



Actual images of Shrem InvIT assets

## Vision

To be the most preferred partner with all stakeholders in creation of a quality pool of operational revenue generating infrastructure assets with credible yield for investors.

## Mission

Offering an organised and reliable platform of InvIT to unlock value for highway developers and enable investors to earn superior and stable returns with utmost safety.

## Values

We strive for inclusive, profitable, and sustainable growth in ethical and trusted manner with full compliance. To operate with transparency and integrity having thrust on safety and quality of infra-assets we own and operate.

# CONTENTS

SR. NO.	PARTICULARS	PAGE NO.
1	Chairman's Vision	4
2	Corporate Overview	6
3	Strategic Overview	7
4	Structure of InvIT & Brief Profiles of Parties to the InvIT	8
5	Investment Manager's Report	10
6	Risk Factors	20
7	Management Discussion and Analysis	22
8	Financial Performance of Shrem InvIT	26
9	Credit Ratings	27
10	Overview of our Assets Portfolio	28
11	Environment, Social & Governance (ESG) Report	34
12	Summary of Valuation of Assets and NAV	35
13	Other Mandatory Disclosures	37
14	Audited Financial Statement	44

## Chairman's Vision

# Unveiled: Paving the Path to Success



### Dear Unitholders, Greetings from Shrem InvIT

The Indian economy is poised for entering a golden era. Road & Highway infrastructures have received unprecedented importance and priority. The Government of India has launched the Prime Minister's Gati Shakti (National Master Plan for Multimodal Connectivity) initiative, set up of Infrastructure Finance Secretariat (IFS), logistics development, and industrial corridor development. The Government is taking all the possible measures to improve the efficiency level and quality of infrastructure to attract more and more private investment in this segment. In Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3% of GDP.

India has the second-largest road network in the world, spanning over 6.3 million kms. Over 64.5% of all goods in the country are transported by road, while 90% of the total passenger traffic uses the road network to commute. I am proud to say that Shrem InvIT is one of the contributors to the road and infrastructure sector.

It gives me immense pleasure to present **the Second Annual Report of Shrem InvIT**. The year has been remarkable journey for the Shrem InvIT.

During the year InvIT acquired eight new special purpose vehicles (SPVs). By this Shrem InvIT owns 32 operational SPVs and two more SPVs are under acquisition, which are expected to be completed shortly. These 34 projects (including 2 proposed acquisitions) offer geographical diversification as they are spread across nine states viz. Madhya Pradesh, Maharashtra, Uttar Pradesh, Karnataka, Gujarat, Jharkhand, Andhra Pradesh, Odisha and Chhattisgarh.

I am glad to share that by now InvIT has a diversified pool of assets involving fifteen National Highway Authority of India and one Ministry of Road Transport Highway (MoRTH) awarded hybrid annuity model (HAM) projects, Ten state annuity plus toll projects, six state annuity projects and two toll projects one being NHA awarded toll project and one state toll project.

The well-diversified pool of assets has generated healthy cash flows without any delays or deductions in annuities and robust cash flow cover. Since registration till 31<sup>st</sup> March 2023, Shrem InvIT has declared 7 distributions aggregating to Rs. 24.02 to its Unitholders.

During the year, InvIT has witnessed sharp growth not only in the size of its assets but also in its valuation, which has increased to Rs. 11695.80 Crore.

In terms of financial performance, during the year under review, Shrem InvIT generated consolidated revenue of Rs. 1,43,391.24 Lakhs in compared to Rs. 58,734.78 Lakhs in the previous year and booked an EBITDA of Rs. 78,453.86 Lakhs as against Rs. 45,082.16 Lakhs in the previous year and earned Net profit of Rs. 48,686.65 Lakhs as against Rs. 29,863.70 Lakhs in the previous year.

During the year under review Shrem InvIT acquired shares of 24 SPVs' from three Holding Companies (Holdco's) and now by this change, all 24 SPVs' are in direct control of Shrem InvIT.

I am delighted to share that Shrem InvIT is being taken care by the experienced, distinguished and versatile team of the Board members and the Management team of the Investment Manager. They play a pivotal role in the strategic management of the Assets portfolio with a high standard of corporate governance in the best interest of Unitholders. I would like to thank the Board Members and Management team of the Investment Manager for their valuable guidance and insights in accomplishing the goals in a sustainable manner.

I would like to thank the Central, State & Local Governments, Authorities, Regulatory Bodies,

Banks, the Trustee, the Project Manager, the Sponsor and the Unitholders of Shrem InvIT for their continued support and co-operation.

I would also place on record my sincere appreciation for the total commitment, dedication and hard work put in by every member of the Shrem Financial Family.

Thank you!  
Best Regards,

**Mr. Nitán Chhatwal**  
Chairman

**Shrem Financial Private Limited**  
(Investment Manager to Shrem InvIT)



# Corporate Overview



## Shrem InvIT (Infrastructure Investment Trust)

1101, Viraj Towers,  
Jn. off Andheri Kurla Rd,  
W.E. Highway, Near Landmark Bldg,  
Andheri (E), Mumbai – 400093.  
+91 22 42285500  
complianceteam@shrem.in  
www.shreminvit.com

**SEBI Registration No.:**  
**IN/InvIT/20-21/0017**

**SECURITY INFORMATION:**  
Listed on  
**National Stock Exchange (NSE)**



Scrip Symbol: **SHREMINVIT**  
ISIN: **INEOGT123014**

**LENDERS:**  
**STATE BANK OF INDIA**



**UNION BANK OF INDIA**



**VALUER**  
**MR. S SUNDARARAMAN**

5B, A Block, 5th floor,  
Mena Kampala Arcade,  
New No 18 and 20,  
Theyagaraya Road.  
Chennai- 600 017  
Tel: +91 97909 28047  
E-mail: chennaissr@gmail.com

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

## STATUTORY AUDITORS



**MUKUND M. CHITALE & CO.**  
2<sup>nd</sup> Flr., Kapur House  
Paranjape B. Scheme  
Road No. 1, Vile Parle (E)  
Mumbai 400 057.  
Firm Registration No.:  
**106655W**

T: +91 22 2663 3500  
E: info@mmchitale.com

Name of contact person:  
**Saurabh Chitale**

Peer review certificate no.:  
**010900**

## TRUSTEE AXIS TRUSTEE SERVICES LIMITED



Axis House, Bombay Dyeing  
Mills Compound, Pandurang  
Budhkar Marg, Worli,  
Mumbai - 400 025

T: +91 22 6226 0054  
F: +91 22 6230 0700  
E: debenturetrustee@axistrustee.in,  
anil.grover@axistrustee.in  
www.axistrustee.com

## REGISTRAR & TRANSFER AGENT LINK INTIME INDIA PRIVATE LIMITED



C-101, 247 Park, 1st Floor, L.B.S. Marg  
Vikhroli West, Mumbai 400 083.  
T: +91 22 4918 6000  
F: +91 22 4918 6060  
E: bonds.helpdesk@linkintime.co.in  
Investor Grievance E-mail:  
bonds.helpdesk@linkintime.co.in

Contact Person: **Ajit Patankar**  
www.linkintime.co.in

SEBI Registration Number:  
**INR000004058**

## INVESTMENT MANAGER



**SHREM FINANCIAL PRIVATE LTD.**  
CIN: U67190MH2010PTC206680

**Registered Office:**  
1101, Viraj Towers,  
Jn. off Andheri Kurla Rd,  
W.E. Highway, Near Landmark Bldg,  
Andheri (E), Mumbai – 400093.  
T: +91 22 42285500  
E: infrateam@shrem.in

## BOARD OF DIRECTORS:

**Mr. Nitán Chhatwal**  
Chairman of Board  
**Mrs. Smítá Nitán Chhatwal**  
Non-Executive Director  
**Mr. Nikhíl Pareek**  
Professional Executive Director  
**Mr. Pradeep Singh**  
Independent Director  
**Mr. Suneet K Maheshwari**  
Independent Director  
**Mr. Anurag Kumar Sachan**  
Independent Director

## MANAGEMENT TEAM:

**Mr. Nitán Chhatwal**  
**Mr. Hítesh Chhatwal**  
**Mr. Mukesh Jain**  
**Mr. Nikhíl Pareek**  
**Mr. Piyush Jain**  
**Mr. S L Kothari**

## KEY MANAGERIAL PERSONNEL:

**Mr. Shyam Sunder Malani**  
Chief Financial Officer  
**Ms. Iláa J Udeshi**  
Company Secretary and  
Compliance Officer

# Strategic Overview

Shrem InvIT (the "Trust") is an irrevocable trust set up by the Sponsor, Shrem Infra Structure Private Limited, under the Indian Trusts Act, 1882. The Sponsor is a part of the Shrem group. Shrem group was founded in 2010 by Nitin Chhatwal, and has managed diverse investments in hospitality, health care, real estate, and infrastructure.

Shrem InvIT got registration as an infrastructure investment trust under the Securitisation and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.

During the year InvIT acquired new eight special

purpose vehicles (SPVs). By this Shrem InvIT owns 32 operational SPVs and two more SPVs are under acquisition, which are expected to be completed shortly. These 34 projects (including 2 proposed acquisitions) offer geographical diversification as they are spread across nine states viz. Madhya Pradesh, Maharashtra, Uttar Pradesh, Karnataka, Gujarat, Jharkhand, Andhra Pradesh, Odisha and Chhattisgarh.

InvIT, being a new instrument, is at an emerging stage in terms of its market participation in the infra business. However, due to its inherent nature of dealing in large scale operations, it facilitates infrastructure development in the country.

## The Upside of having road assets in a portfolio

### LIQUIDITY

Continuous cash flow throughout the year with 64 annuity payments

### SAFETY

Revenue under all the projects is backed by National & State Highway Authorities

### RETURNS

Attractive stable returns with a quarterly distribution

We, as Shrem InvIT, are committed to contributing towards the development and maintenance of a world class state-of-the-art road infrastructure in the country by the acquisition of completed revenue generating road infra-assets.

Shrem InvIT is committed to maintaining its regime of good corporate governance. It pledges to provide timely and accurate information through announcements and investor relations activities for the benefit of all stakeholders.

## Our Strengths

- **Distinguished business model**
- **Sound track record & experienced management**
- **Optimal leveraging**
- **Robust cashflow cover**
- **No Construction risk**
- **Consistent & predictable distribution**
- **Committed & stable workforce**

# Structure of InvIT

As per SEBI regulations for InvITs in India, InvIT has a 3-tiered management structure consisting of a Sponsor, a Manager, and a Trustee. The typical structure of an InvIT involves the Sponsor, Trustee, Investment Manager (who takes all the acquisition / divestment - related decisions) and the Project Manager.

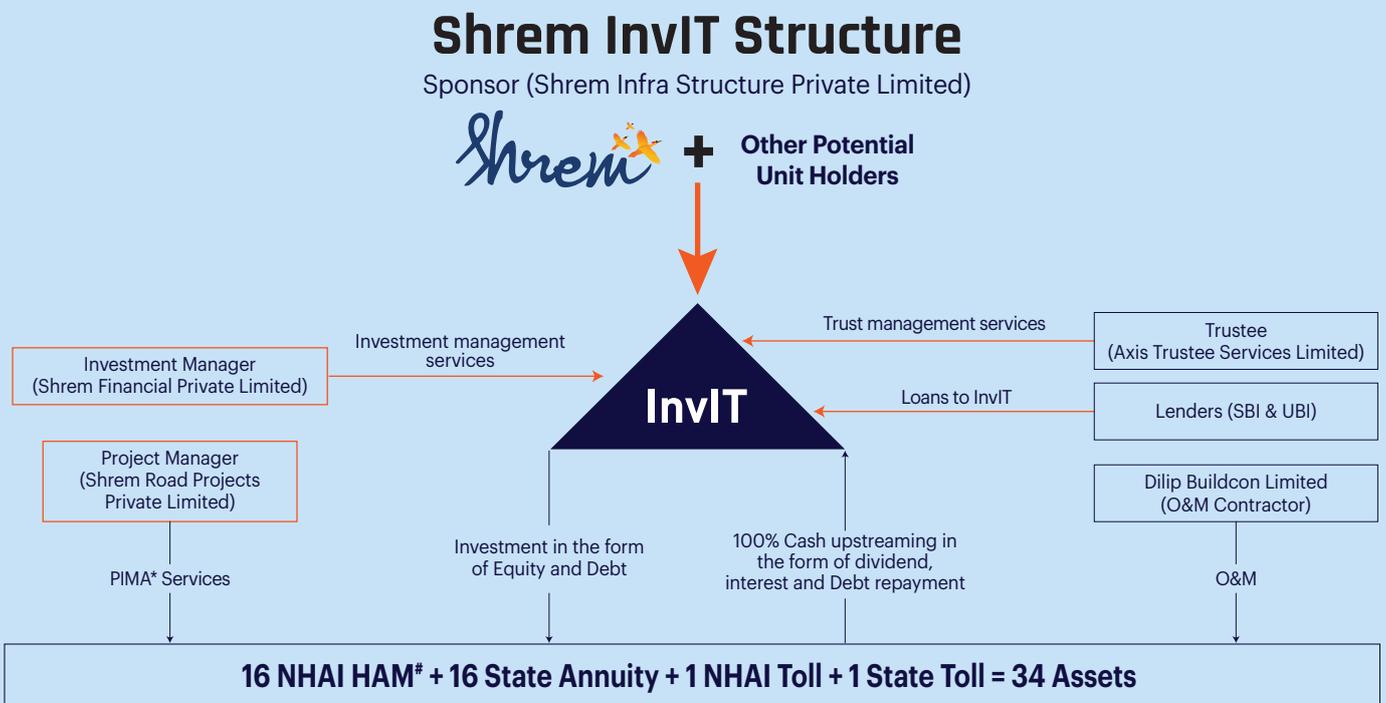
This structure is a standard structure, framed by regulator attempts to minimize the risk to investors and facilitates better corporate governance.

During the year under review, Shrem InvIT has acquired shares of its 24 SPVs from its three Holding companies

(‘Holdcos’) namely (i) Shrem Infracore Private Limited, (ii) Shrem Roadways Private Limited and (iii) Shrem Tollways Private Limited). Accordingly, now Shrem InvIT has direct control of 24 SPVs and has eliminated the 2-layer structure.

Further the Shrem InvIT has acquired 8 SPVs from Dilip Buildcon Limited and its affiliates out of which Shrem InvIT has acquired 100% stake in 5 SPVs and 49% stake in 3 SPVs.

The current structure of Shrem InvIT is as follows:



\*Project Implementation and Management Agreement  
 \*2 Projects yet to be acquired.



# Brief profiles of parties to Shrem InvIT

## Sponsor

Shrem Infra Structure Private Limited (SISPL) is the Sponsor of Shrem InvIT. SISPL was founded by Nitin Chhatwal family in the year 2014 under the provisions of the Companies Act, 2013 with the objective of doing business in infrastructure development and related activities.

Since March 2017, SISPL has been actively engaged in road development. SISPL completed its first investment in road sector in March 2017 and has gradually built a portfolio of 24 operational road assets.

## Trustee

Axis Trustee Services Limited (ATSL) is acting as the Trustee of Shrem InvIT, in accordance with the SEBI InvIT Regulations, 2014. ATSL, having registration number IND000000494 is a debenture trustee, registered with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

The Trustee is a Company, promoted by Axis Bank Limited and registered under the Companies Act, 1956 with the objective of providing corporate and other trusteeship services.

The Trustee is acting upon the powers and duties provided to them under the Trust Deed in accordance with the Indian Trusts Act, 1882 and InvIT Regulations.

## Project Manager

Shrem Road Projects Private Limited (SRPPL), a Company incorporated under the Companies Act, 1956, is acting as the Project Manager for Shrem InvIT.

The Project Manager is responsible for the implementation, operation, maintenance, and management of the Project in

accordance with the terms and conditions of the Project Implementation and Management Agreement and in compliance with the Concession Agreement as may be signed and executed from time-to-time, in the interest of Shrem InvIT.

SRPPL is responsible for the operation and maintenance of the entire portfolio of Shrem InvIT by supervising project activities.

## Investment Manager

Shrem Financial Private Limited (SFPL) is the Investment Manager for the Trust. SFPL is incorporated under the Companies Act, 1956 with the objective to act as an investment manager or investment advisor.

SFPL has been engaged in the infrastructure business since 2011. The Investment Manager, through its erstwhile subsidiary, Shrem Resort Private Limited (now Zon Hotels Private Limited), developed the Novotel Goa Shrem Hotel and the Grand Mercure Goa Shrem Resort. It successfully operated the two hotels till September 2017 and subsequently divested its entire shareholding in Shrem Resort Private Limited (now Zon Hotels Private Limited).

SFPL manages day to day affairs and oversees administrative function of Shrem InvIT inter alia decision regarding future acquisition, divestment, fund raising etc. in pursuant to regulation 10 of the SEBI InvIT Regulation, 2014. The Board of Directors and Management team manage the assets and investments of the InvIT. The Company Secretary of the Investment Manager acts as Compliance Officer of the Shrem InvIT.

A detailed report of the Investment Manager is annexed herein as a part of this Annual Report.



# Investment Manager's Report

## Brief of Investment Manager

Shrem Financial Private Limited (SFPL) is acting as the Investment Manager for Shrem InvIT. SFPL, as an Investment Manager, plays a strategic and vital role in the success of Shrem InvIT.

It possesses diverse experience of investment management services including fund management particularly in this sub-sector, O&M experience and manages necessary resources for underlying assets efficiently.

It provides administrative services in accordance with the provisions of Investment Management Agreement and SEBI InvIT Regulations, 2014.

It takes decisions for the InvIT for the prudent investment (asset acquisition and disposal) ensuring growth and perpetuity of the InvIT.

It decides and declares timely distributions to the Unitholders, safeguards interests of unitholders and

improves returns from the InvIT by building an efficient capital structure.

It disseminates statutory and material information and grievance redressal of Unitholders.

The Investment Manager is committed to good corporate governance practices and has adopted various policies to ensure sustainable business growth, promoted a pro-active approach in reporting and set the philosophy and principles for compliance. Further, to carry on the business of the Trust in an ethical manner, the Code of Conduct for business is adopted by the parties of the Trust.

The Policies adopted by the Investment manager are (i) Unpublished Price Sensitive Information Policy, (ii) Determination of Materiality of Information Policy (iii) Related Party Transactions Policy (iv) Code of Conduct (v) Borrowing Policy (vi) Distribution Policy (vii) Documents Archival Policy (viii) Appointment of Auditors and Valuer Policy (ix) Prevention of Sexual Harassment Policy and (x) Whistle Blower Policy.



Actual images of Shrem InvIT assets

## Board of Directors

In order to maintain the independence of the Board, the Investment Manager maintains an optimum combination of Executive and Non-Executive and Independent Directors. As on date, the Board of Investment Managers comprises of six (6) directors. The Board composition is in conformity with the provisions of the SEBI InvIT Regulations, 2014 and Companies Act, 2013.

All the Directors are professional and qualified members, possessing rich experience and expertise, who bring in the required skills, that allow them to make effective contributions to the Board and its Committees.

A brief profile of all the Board Members is given here below:



### Mr. Nitán Chhatwal

Non-executive Chairman

Mr. Nitán Chhatwal, aged about 54 years, first-generation entrepreneur with experience of over 31 years in establishing businesses and managing investments. He is the Chairman of the Board of Directors.

He started his family office in 2010 and since then has managed investments in Real Estate, Hospitality, Health Care, Telecommunication and Infrastructure sectors.

He has developed two five star hotels in Goa and is currently developing another hotel in Mumbai.

Earlier he co-promoted the Viraj Group of companies, which were industry leaders in the export market for specialized stainless-steel products.



### Mr. Pradeep Singh

Independent Director

Mr. Pradeep Singh, aged about 71 years, an IAS officer (year 1978 to 1995), has 43 years of work experience in the government, private sector, and academia. He is Chairman of the Investment, Nomination, Remuneration and Borrowing Committee and Risk Management Committee.

He worked in various senior positions in the state of Assam as also the Ministry of Home Affairs (MHA) and the Ministry of Defense (MOD) in the central government. He also served as the managing director of a state-run textile manufacturing undertaking.

He was the founding CEO of IL&FS Infrastructure Development Corporation (IIDC) and later served as the vice-chairman & CEO of IDFC Projects Ltd.

After a career of 35 years in the government and private sector, Mr. Singh joined the Indian School of Business (ISB) as the CEO of its Mohali Campus and the Deputy Dean of the school.

He has been a visiting faculty member at the Kennedy School of Government, Harvard University and has been engaged in consulting for the World Bank and the ADB. He holds a Master's Degree in Public Administration (MPA) from Harvard University and was a Rotary International Graduate Fellow at Stanford University USA.

## Board of Directors



### Mr. Suneet K Maheshwari

Independent Director

Mr. Suneet K Maheshwari, aged about 65 years, Science Graduate. He has done MBA from the University of Poona (Pune) and has also completed Executive Training Programs from Harvard Business School in Restructuring of Financial Institutions & Banks and Strategy and Operations Strategy & Management.

He is the Chairman of the Audit Committee.

He has over 39 years of experience in project and corporate finance, investment banking and private equity with a focus on infrastructure & large corporates.

He has been founding CEO & MD of L&T Infra Finance Co Ltd (L&T Infra) from the year 2006 to 2014. Further he has also been Group Executive Vice President of L&T Finance Holdings Limited (LTFH) from March 2014 to November 2015. He has also held board positions in SREI Infrastructure Finance Limited and Feedback Ventures Limited.

Currently, he is serving on the board of directors of various companies, such as Mahindra Manulife Trustee Private Limited, Antony Lara Enviro Solutions Private Limited, Antony Lara Renewable Energy Private Limited and AG Enviro Infra Projects Private Limited. He is also a designated partner in Udvik Infrastructure Advisors LLP.



### Mr. Anurag Kumar Sachan

Independent Director

Mr. Anurag Kumar Sachan, aged about 62 years, is a Civil Engineering graduate from MNIT Bhopal. He is a professional with techno-commercial skills backed by a strong track record of 38 years of experience in project and contract management, bidding process, arbitration, dispute resolution, freight operation, maintenance and human resource development.

He is the Chairman of the Stakeholders Relationship Committee.

He worked as the Managing Director of the Dedicated Freight Corridor Corporation of India Limited (3,300 km railway line, project cost \$13 billion) from August 2018 to August 2020. He also served as the Chief Administrative Officer of the Udhampur - Srinagar - Baramulla Rail Link in the Himalayan terrain, with a project cost of Rs 30,000 crore.



### **Mr. Nikhil Pareek**

Professional Executive Director

Mr. Nikhil Pareek, aged about 43 years, is Science Graduate from JNVU, Jodhpur and has done MBA in Finance from ICFAI Business School, Hyderabad. He has been associated with the Shrem Group since September 2016 and was involved in structuring and negotiating the deal between Shrem Group and Dilip Buildcon Ltd for the acquisition of 24 road projects.

He has over 18 years of experience in the fields of banking, debt syndication, private equity, and financial and management consulting in the infrastructure sector.

He has worked with Citi Bank, ICICI Bank & Yes Bank. Later in his career he worked exclusively in the Road sector with consultancy firm(s) and completed many assignments for reputed Infrastructure Developers.



### **Mrs. Smita Nitán Chhatwal**

Non-Executive Director

Mrs. Smita Nitán Chhatwal, aged about 54 years, holds a Diploma in Textile designing from the South Delhi Polytechnic for Women.

She has over 21 years of Experience in the fields of operations and administration in the infrastructure, real estate and hospitality sectors.

Prior to joining the Investment Manager, she was associated with Viraj Profiles Limited as a Director.

## Management Team

### Mr. Hitesh Chhatwal

He has over 26 years of experience in handling projects and is responsible for managing Project development & Joint development partnerships of the Shrem Group.

He has handled the Forgings business at Viraj Profiles Ltd prior to founding Shrem. In Shrem, he took up the responsibility of managing Shrem Infra Investment Platform.

He spent his formative years in shaping the Flanges & Fittings division at Viraj Group and is credited with making Viraj Forgings the only company to get approvals from reputed oil & gas companies, pipe and ship building companies in the USA, Middle - East and Korea.

### Mr. Piyush Jain

He is a Commerce graduate and holds an MBA (Finance) from the University of Technology Sydney, Australia.

He has been associated with the Shrem Group since September 2016 and was involved in structuring and negotiating the deal between the Shrem Group and Dilip Buildcon Ltd for the acquisition of 24 road projects.

He has over 11 years of work experience in India & Australia in Management Consulting and Research roles.

Worked with a Boutique Management Advisory firm, MSCI and Moneybee Securities. In the past he has worked with clients from across sectors primarily Infrastructure, Real estate, Retail & Hospitality on debt syndication and credit rating.

### Mr. Mukesh S. Jain

He is a Commerce Graduate from MLSU, Udaipur and has an MBA in Finance from ICFAI Business School, Hyderabad.

He has been associated with the Shrem Group since September 2016 and was involved in structuring and negotiating the deal between Shrem Group and Dilip Buildcon Ltd for the acquisition of 24 road projects.

He has over 18 years of experience in the fields of Investment Banking, debt syndication, private equity,

financial and management consulting in the infrastructure sector.

He has worked with Kotak Securities and he had set up a securities broking business, having offices in India and overseas with a team of 50 people. Later in his career he worked exclusively for the Road sector with consultancy firm(s) and completed many assignments for reputed Infrastructure Developers.

### Mr. S L Kothari

He is a science graduate, a Chartered Accountant and a Company Secretary.

He joined the Investment Manager as a Director of Finance, Head Risk and Compliance, on November 1, 2020.

He has experience working as CFO, for over 21 years with companies like Sanjana Cryogenic Storages Limited (Affiliate of Hindalco Industries Ltd), Kewal Kiran Clothing Limited & Shalby Limited ("Shalby"), a leading chain of multi-specialty hospitals.

## Board Meetings

The Board of Directors of the Investment Manager met nine times during the Financial Year 2022-23 on following dates:

- (i) 04.04.2022 (ii) 04.05.2022 (iii) 27.07.2022  
 (iv) 26.09.2022 (v) 17.10.2022 (vi) 12.11.2022  
 (vii) 20.01.2023 (viii) 27.02.2023 (ix) 30.03.2023

Attendance of Directors in meetings are as follows

Sr. No.	Name of Director	No. of Board Meetings attended
1	Mr. Nitan Chhatwal	8
2	Mrs. Smita Nitan Chhatwal	2
3	Mr. Nikhil Pareek	8
4	Mr. Pradeep Singh	9
5	Mr. Suneet K Maheshwari	9
6	Mr. Anurag Kumar Sachan	9

### Committees of Board of Directors

In compliance with the SEBI InvIT Regulations, 2014 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Companies Act, 2013, as may be applicable, the board of Directors of Investment Manager has duly constituted the following Committees.

- Audit Committee.
- Investment, Nomination, Remuneration and Borrowing Committee
- Stakeholders Relationship Committee
- Risk Management Committee

### Audit Committee

The Investment Manager has constituted a well-qualified and Independent Audit Committee in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013 and rules made thereunder. The majority of members including the Chairman of the Committee are Independent Directors. The details of the composition of the Audit Committee as of 31st March, 2023 is as follows:

No.	Name of Director	Category
1	Mr. Suneet Maheshwari	Independent Director (Chairman)
2	Mr. Pradeep Singh	Independent Director (Member)
3	Mr. Nikhil Pareek	Director (Member)

During the financial year, the audit committee met six times, on following dates:

- (i) 04.05.2022 (ii) 27.07.2022 (iii) 17.10.2022  
 (iv) 12.11.2022 (v) 20.01.2023 (vi) 30.03.2023

### Investment, Nomination, Remuneration and Borrowing Committee

The Investment, Nomination, Remuneration and Borrowing Committee (INRBC) is duly constituted by the board of Investment Manager. The composition of the INRBC as of 31<sup>st</sup> March, 2023 is as follows:

No.	Name of Director	Category
1	Mr. Pradeep Singh	Independent Director (Chairman)
2	Mr. Suneet Maheshwari	Independent Director (Member)
3	Mr. Anurag Kumar Sachan	Independent Director (Member)

During the financial year, the INRBC met eight times, on following dates:

- (i) 04.05.2022 (ii) 27.07.2022 (iii) 26.09.2022  
 (iv) 17.10.2022 (v) 12.11.2022 (vi) 20.01.2023  
 (vii) 27.02.2023 (viii) 30.03.2023

### Stakeholders Relationship Committee

The Investment Manager has constituted the Stakeholder Relationship Committee mainly to consider and resolve grievances of the unitholders, including complaints related to the transfer of units, non-receipt of the annual report and non-receipt of the declared distributions. The Committee consists of the following Members as of 31<sup>st</sup> March, 2023.

No.	Name of Director	Category
1	Mr. Anurag Kumar Sachan	Independent Director (Chairman)
2	Mr. Nitan Chhatwal	Director (Member)
3	Mr. Nikhil Pareek	Director (Member)

During the financial year, the Stakeholder Relationship Committee met four times, on following dates:

- (i) 04.05.2022 (ii) 27.07.2022 (iii) 17.10.2022  
 (iv) 20.01.2023

### Risk Management Committee

The Risk Management Committee comprises following Directors of Investment Manager.

No.	Name of Director	Category
1	Mr. Pradeep Singh	Independent Director (Chairman)
2	Mr. Suneet Maheshwari	Independent Director (Member)
3	Mr. Nitan Chhatwal	Director (Member)

### Information of the contact person of the InvIT

**Ms. Ilaa J Udeshi**  
Compliance Officer

1001, Viraj Towers, Junction off Andheri Kurla Road, Western Express Highway near Land Mark Building, Andheri (East), Mumbai – 400093.

Tel: 022-4228 5500

Email: [complianceteam@shrem.in](mailto:complianceteam@shrem.in)

Website: [www.shreminvit.com](http://www.shreminvit.com)

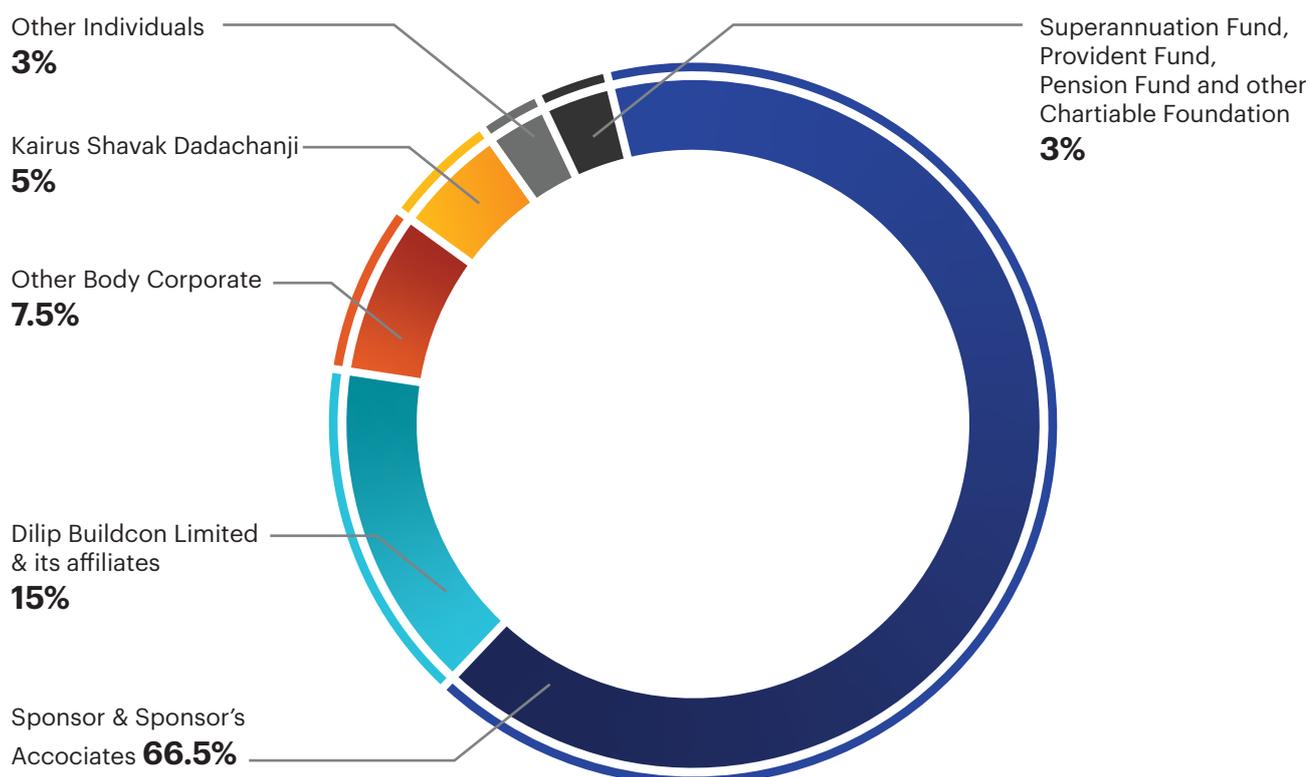
### Investor Complaints

The status of complaints is reported to the Board, Trustee, and the stock exchange on a quarterly basis. During the period ending March 31, 2023, the

Infrastructure Investment Trust (InvIT) did not receive any complaints from its unitholders. The status report regarding this matter is provided below:

Complaints	All complaints including SCORES complaints	SCORES complaints
Number of investor complaints pending at the beginning of the year.	0	0
Number of investor complaints received during the year.	0	0
Number of investor complaints disposed of during the year.	0	0
Number of investor complaints pending at the end of the year.	0	0
Average time taken for redressal of complaints	NA	NA

### Unitholding Pattern as on March 31, 2023



## Unitholding Pattern of Shrem InvIT as on March 31, 2023

Category	Category of Unit holder	No. of Unit held	As % of Total Outstanding Units	No. of units mandatorily held (Sponsor)		No. of units pledged or otherwise encumbered (Sponsor)	
				No. of units	As a % of total Units under mandatory holding	No. of units	As a % of total units held
(A)	Sponsor(s) / Investment Manager / Project Manager(s) and their associates/ related parties:						
<b>(1)</b>	<b>Indian:</b>						
(a)	Individual/HUF	14,49,680	0.26%	-	-	-	-
(b)	Central Govt./ State Govt.	-	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-	-
(d)	Any Other (Specify):						
	- Body Corporate	34,10,90,741	61.33%	5,85,70,500	*10.53%	17,69,70,500	77.64%
	- Family Trust	2,73,00,960	4.91%	-	-	-	-
	<b>Sub Total: (A) (1)</b>	<b>36,98,41,381</b>	<b>66.50%</b>	<b>5,85,70,500</b>	<b>*10.53%</b>	<b>17,69,70,500</b>	<b>77.64%</b>
<b>(2)</b>	<b>Foreign:</b>						
(a)	Individuals (Non Resident Indians/ Foreign Individuals)	-	-	-	-	-	-
(b)	Foreign government	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-
(d)	Foreign Portfolio Investors	-	-	-	-	-	-
(e)	Any Other (specify):						
	Body Corporate	-	-	-	-	-	-
	Sub Total: (A) (2)	-	-	-	-	-	-
	<b>Total unit holding of Sponsor &amp; Sponsor Group (A)= (A)(1)+(A)(2)</b>	<b>36,98,41,381</b>	<b>66.50%</b>	<b>5,85,70,500</b>	<b>*10.53%</b>	<b>17,69,70,500</b>	<b>77.64%</b>

\*It is 15% of total unit capital issued under initial offer and it is within framework of statutory requirement under regulation 12(3) of SEBI (InvIT) Regulations, 2014.

<b>(B)</b>	<b>Public Holding:</b>		
<b>(1)</b>	<b>Institutions:</b>		
(a)	Mutual Funds	-	-
(b)	Financial Institutions/ Banks	-	-
(c)	Central/ State Govt.	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	-	-
(f)	Provident/ pension funds	-	-
(g)	Foreign Portfolio Investors		-
(h)	Foreign Venture Capital investors	-	
(i)	Any Other (specify):		-
	Other	-	-
	<b>Sub Total: (B) (1)</b>	-	
<b>(2)</b>	<b>Non-Institutions:</b>		
(a)	Central Government/ State Governments(s) /President of India	-	-
(b)	Individuals/HUF	4,34,63,112	7.82%
(c)	NBFCs registered with RBI	-	-
(d)	Any Other (specify):		
	-Body Corporate	12,57,80,224	22.62%
	-Trust	1,70,40,000	3.06%
	<b>Sub Total: (B) (2)</b>	<b>18,62,83,336</b>	<b>33.50%</b>
	<b>Total Public Unit holding (B) = (B)(1)+(B)(2)</b>	<b>18,62,83,336</b>	<b>33.50%</b>
	<b>Total Units Outstanding (C) = (A) + (B)</b>	<b>55,61,24,717</b>	<b>100.00%</b>

## Past Performance of the InvIT with Respect to Distributions, Unit Price & Yield

The Investment Manager has adopted the Distribution Policy to ensure proper, accurate and timely distribution to the unitholders of Shrem InvIT. The Distributable cashflow of Shrem InvIT is calculated in

accordance with the Distribution Policy, InvIT Regulations including any circular, notification or guidance issued thereunder.

### (a) Distributions

Details of distributions made by the Investment Manager on behalf of Shrem InvIT is as follows:

Particulars	Financial Year 2022-23 (Amount per unit in Rs.)	Financial Year 2021-22 (Amount per unit in Rs.)
Dividend per Unit (Rs.)	1.404	3.250
Interest per Unit (Rs.) (Subject to applicable taxes)	2.538	0.687
Return of Capital per Unit (Rs.)	9.912	3.531
<b>Total amount of distribution per Unit (Rs.)</b>	<b>13.854</b>	<b>7.468</b>

## (b) Unit Price

Details of Unit price of Shrem InvIT is as follows:

Particulars	Financial Year 2022-23 (Amount per unit in Rs.)	Financial Year 2021-22 (Amount per unit in Rs.)
Price at the beginning of Financial Year	103.00	100.00
Price at the end of Financial Year	114.00	103.00
Highest during the year	114.00	104.25
Lowest during the year	101.00	100.00

## (c) Yield

Particulars	Financial Year 2022-23	Financial Year 2021-22
Yield % based on average market price as on average rate	*26.52%	#21.13%

\*Note: Distribution Made on May 15, 2023 of Rs. 15,015 Lakhs has not been considered as the yield is required for March 31 and April 1.

#Note: Distribution Made on May 06, 2022 of Rs. 13,292 Lakhs has not been considered as the yield is required for March 31 and April 1.

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

Unit price and volume traded during the financial year:

Particulars	Amount per unit in Rs.
Price at the beginning of the Financial Year	103.00
Price at the end of the Financial Year	114.00
Highest during the year	114.00
Lowest during the year	101.00

## **Volume Information**

Particulars	Number of units
Average Daily Volume Traded during the Financial Year	23,16,667



All images are shot at location  
Guna - Biaora | Madhya Pradesh

# Risk Factors

## We have identified certain risk factors broadly mentioned below

### Risks relating to the Trust's business and industry

- a. Statistical and other information in this annual report relating to India, the Indian economy or the road infrastructure sector have been derived from various government publications, research reports from reputable institutions and communications with various Indian government agencies that are believed to be reliable. However, there can be no guarantee as to the quality or reliability of such information.
- b. The Special Purpose Vehicles (SPVs/Project SPVs) have entered into concession agreements which contain certain onerous provisions and any failure to comply with such concession agreements could result in adverse consequences including penalties and the substitution of the concessionaire.
- c. In addition, the concession agreements also contain clauses which will allow a concessioning authority to step in, in place of a Project SPV, in the event of a suspension or termination of the concession agreement. Further, in case of Project SPVs that have been granted concessions by the NHAI, according to the circular dated January 29, 2014 issued by the NHAI, the NHAI or the lenders of such Projects may substitute a Project SPV in the event that the Project SPV is in "financial default"; that is, for example, if the NHAI or the lenders of such Project have a reason to believe that a Project SPV is likely to face financial distress and is likely to default in its obligations under the terms of the relevant concession agreement. The NHAI may also impose a penalty on the defaulting Project SPV.
- d. Further, collection of toll is subject to the regulations / policies issued by the Government.
- e. In the event that any change in law under a Project's concession agreement imposes a financial burden on the affected Project SPV, the Project SPV may be entitled to approach the relevant concessioning authority to amend its concession agreement or seek compensation such that the Project SPV is placed in its former financial condition. If compensation is sought under such provisions in the concession agreements, there is no assurance that the affected Project SPV will receive such compensation from the relevant concessioning authority in the amounts claimed, in a timely manner, or at all. This could have an adverse effect on the Trust's financial performance.
- f. The form of the concession agreement has evolved in the previous decade and there is limited guidance available on the interpretation of the terms and conditions contained in such concession agreements. In addition, certain terms of the concession agreements are ambiguous and untested and accordingly, their interpretation by the relevant concessioning authorities may differ from that of the Project SPVs. In the event that the interpretation of the concession agreements is unfavorable to the Project SPVs, their business, financial condition and results of operations may be adversely affected.
- g. Every business is subject to inflation and interest rate risks, and we are not an exception.
- h. The Projects' revenues from tolls are subject to significant fluctuations due to changes in traffic volumes and the mix of traffic and a decline in traffic volumes could adversely affect their business prospects, financial condition, results of operations and their ability to make distributions.
- i. Leakage of the tolls collected on the toll-linked Projects may adversely affect the relevant Project SPVs' revenues and earnings.
- j. The Project SPVs have a limited period to operate the Projects as the concession periods granted to the Project SPVs are fixed.
- k. The Project SPVs, which are responsible for the operation and maintenance of the Projects under the respective concession agreements, may be directed by the relevant concessioning authority to undertake, and the Project SPVs will be obliged to perform, additional construction work.
- l. Newly constructed roads or existing alternative routes may compete with the Projects and result in the diversion of vehicular traffic and a reduction of tolls that the Project SPVs can collect.
- m. The current insurance coverage for the Projects may not protect the Project SPVs from all forms of losses and liabilities associated with their businesses.
- n. The cost of repairing and refurbishing existing equipment for operating, maintaining and monitoring the Projects could be significant and could adversely affect the results of operations, cash flows and financial condition of the Project SPVs.
- o. The business and financial performance of the Trust, the operations of the Projects and any future projects that the Trust may acquire, are significantly dependent on the policies of, and relationships with, various government entities in India and could be affected if there are adverse changes in such policies or relationships.
- p. The Project SPVs, parties to the Trust and their respective associates are involved in legal proceedings, which if determined against such parties, may have an adverse effect on the reputation, business and results of operations of the Trust.
- q. The Project SPVs depend on the O&M Contractor to operate and maintain the Projects. Any delay, default or unsatisfactory performance by the O&M Contractor could adversely affect the Project SPVs' ability to effectively operate or maintain the Projects.
- r. The results of operations of the Project SPVs could be adversely affected by strikes, work stoppages or increased wage demands by the employees of the O&M Contractor or other sub-contractors.
- s. The use of additional leverage by the Investment Manager and the Trust are subject to risks.
- t. The actual performance of the Trust is subject to significant business, regulatory, and tax risks, uncertainties and contingencies that could cause actual results to differ materially.

**Risks relating to our organization and structure**

- a. Changes in government regulation could adversely affect our profitability, prospects, results of operations and ability to make distributions to our Unitholders.
- b. We depend on the Investment Manager, the Project Manager, and the Trustee to manage our business and assets, and our financial condition, results of operations and cash flows and our ability to make distributions may be harmed if the Investment Manager, Project Manager, or the Trustee fail to perform satisfactorily. The rights of the Trust and the rights of the Unitholders to recover claims against the Project Manager, the Investment Manager or the Trustee may be limited.
- c. Information and the other rights of Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.
- d. The Trust has a limited number of listed peers undertaking similar lines of business for comparison of performance and therefore investors must rely on their own examination of the Trust for the purposes of investment in the Issue.
- e. The regulatory framework governing infrastructure investment trusts in India is relatively new and the interpretation and enforcement thereof involve uncertainties, which may have a material adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to the Unitholders.
- f. The reporting requirements and other obligations of infrastructure investment trusts are still evolving. Accordingly, the level of ongoing disclosures made to and the protection granted to our Unitholders may be more limited than those made to or available to shareholders of a company that has listed its equity shares upon a recognised stock exchange in India.

**Risks relating to the Units**

- a. The sale or possible sale of a substantial number of Units by the Sponsor in the public market following the lapse of its lock-in requirement as prescribed under the InvIT Regulations could adversely affect the price of the Units.
- b. The Units are being traded on the Stock Exchange since a limited period may not result in an active or liquid market for the Units.
- c. Market and economic conditions may affect the market price and demand for the Units.
- d. Any future issuance of Units by us may dilute investors' Unitholding. The sale or possible sale of a substantial number of Units by the Sponsor or another significant Unitholder could adversely affect the price of the Units.

- e. Rights of Unitholders under Indian law may be more limited than under the laws of other jurisdictions.

**Risks relating to India**

- a. We are exposed to risks associated with the road sector in India.
- b. Our performance and growth are dependent on the factors affecting the Indian economy.
- c. We may be exposed to variations in foreign exchange rates.
- d. A decline in India's foreign exchange reserves may reduce liquidity and increase interest rates in India, which could have an adverse impact on us.
- e. Change in social, economic, and political conditions of the country or and natural disasters could have a negative effect on our business.
- f. Any downgrading of India's debt rating by rating agencies could have a negative impact on our business.
- g. Financial instability in other countries may cause increased volatility in Indian financial markets.
- h. Significant differences exist between Ind AS and other accounting principles, such as IFRS, Indian GAAP and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.
- i. Fluctuations in the exchange rate of the Indian Rupee with respect to the U.S. Dollar or other currencies could affect the foreign currency equivalent of the value of the Units and any distributions.

**Risks relating to Taxation**

- a. Changes in legislation or the rules relating to tax regimes could materially and adversely affect our business, prospects and results of operations.
- b. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and on any dividend or interest component of any returns from the Units.
- c. The Trust and the Project SPVs may be subject to certain tax related risks under the provisions of the IT Act.
- d. The Project SPVs enjoy certain benefits under Section 80-IA of the IT Act in relation to the Project SPVs and any change in these tax benefits applicable to the Trust may adversely affect its results of operations.
- e. The income of the Trust in relation to which pass through status is not granted under the IT Act may be chargeable to Indian taxes.
- f. Depreciation may not be claimed on the capitalized cost of a road constructed on a BOT basis.

# Management Discussion and Analysis

## Industry Review

India has the second-largest road network in the world, spanning over 6.3 million kms. Over 64.5% of all goods in the country are transported by roads, while 90% of the total passenger traffic uses road network to commute. As of November 30, 2022, the total length of National Highways in the country was 144,634 km. Also, roads form a significant portion of the national monetization pipeline, with national highways. The government has decided to monetize the road assets worth Rs.1.6 trillion, by 2024-25. The National Highway Authority of India has a project bank of 20,000 km of completed roads. NHAI is offering these roads in bundles and will be offering projects worth Rs. 40,000 crore in the next two financial years.

National Highways play a very important role in the economic and social development of the country by enabling efficient movement of freight and passengers and improving access to markets. Therefore, the Ministry of Road Transport and Highways (MoRTH) and its implementing agencies have implemented multiple initiatives in the last 8 years to augment the capacity of the National Highway infrastructure in India. In the Union Budget 2023-24, the government has decided to raise the allocation towards the Ministry of Roads by some 36% to Rs. 2.7 lakh crore (US\$ 32.6 billion) for 2023-24. (Source: *Infrastructure sector in India, Industry Report by IBEF*).

By seeing this positive opportunity, InvITs as collective investment scheme has brighter future in coming years. InvITs allow developers to monetize their assets by pooling multiple infrastructure assets under a single entity. Also, InvITs are popular among investors, especially in the case of long-term revenue-generating assets such as toll roads.

The Union Budget FY 2023-24 has laid out the vision for guiding India by adopting 7 key priorities or 'Saptarishis'. Infrastructure and Investment are one of the key priorities of the Government. The government has decided to raise the allocation towards the Ministry of Roads by some 36% to Rs. 2.7 lakh crore (US\$ 32.6 billion) for 2023-24.

The MoRTH has envisaged an ambitious highway development programme - Bharatmala Pariyojana. The programme focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National

Corridor Efficiency Improvement, Border and International Connectivity roads, Coastal and Port Connectivity roads and Green-field expressways. Multi-modal integration is also built into this program.

### **Pradhan Mantri (PM) Gati Shakti National Master Plan (NMP)**

The Pradhan Mantri GatiShakti- National Master Plan as a critical tool for integrating economic and infrastructural planning and development. Under this Master Plan, 100 critical infrastructure gap projects have been prioritized by the government for development in FY 2023-24 and Rs. 75,000 Cr. have been allocated for the same. Similarly, with multimodal infrastructure development, India's logistics cost will reduce, improving ease of living and ease of doing business in the country. (Source: *Press release by MoRTH on highlights of the Union Budget 2023-24*).

### **Rising foreign direct investment (FDI) in the sector**

The Government has put in place an investor-friendly policy, wherein 100% Foreign Direct Investment (FDI) is allowed under the automatic route in the road and highways sector.

### **Outlook**

The InvIT predominantly has fixed annuity assets and being a Trust, it enjoys various tax benefits which can potentially increase the post-tax revenue for the company. The Government's ambitious infrastructure development programmes provide significant opportunities for investors and market players to help transform the sector and partner in India's socio-economic progress. Robust demand, higher investments, attractive opportunities and policy support changed the face of the road sector in the country in the last few years. The government is implementing various projects across the length and breadth of the country to solve the woes of the common man. The MoRTH has introduced notable trends that will make India take the lead position in road infrastructure in the times to come.

Furthermore, there are tremendous opportunities in the near and long term for the infrastructure space in India.

### **Activities of the Trust**

InvIT as an investment platform offers attractive investment opportunities and is expected to take flight,

given the huge government outlay for infrastructure projects. The government has identified InvIT as a way to attract large institutional long-term investors in the infrastructure space, to allow for capital recycling and further investments under PPP mode. InvIT plays a key role in the monetization of existing projects with conducive regulatory frameworks, cash flow profiles, and taxation advantages.

InvIT helps developers to release their invested equity and deploy capital in new projects. This could enable them to address the challenge of projects with high

capex demands. Another advantage of InvIT is that proceeds raised from such vehicles are neither counted as debt nor as equity and provides regular return on capital infused, by way of distribution.

### Net Distributable Cash Flow (NDCF)

For FY 2022-23 the Net Distributable Cash Flow (NDCF) of the Shrem InvIT is Rs. 57,029.19 Lakhs, the Trust has distributed at least 90% of NDCF. The total pay-out from the NDCF for FY 2022-23 is Rs. 13.854 per unit to the unitholders.

## Distribution

As per SEBI InvIT Regulations, 2014, InvIT shall distribute to the unitholders not less than 90% of net distributable cash flows, once in every six months in every financial year and payment shall be made not later than fifteen days from the date of declaration.

Shrem InvIT has made distributions four times during the financial year on a quarterly basis in accordance with its Distribution Policy. Details of four distributions during the financial year is as follows:

Sr. No.	Total amount of distribution per Unit (Rs.)	Payment date of distribution	Distribution consists of		
			Dividend per Unit (Rs.)	Interest per Unit (Rs.) (Subject to applicable taxes)	Return of Capital per Unit (Rs.)
1	3.404	May 06, 2022	0.000	0.366	3.038
2	3.550	August 02, 2022	0.000	0.967	2.583
3	3.500	October 27, 2022	1.000	0.781	1.719
4	3.400	January 30, 2023	0.404	0.424	2.572

## Factors Affecting the Results of the Operation of the InvIT

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

### Economical Challenge

The performance and growth of our business is highly dependent on the performance of the Indian economy, which, in turn, depends on various factors. The Indian economy may get affected by recent global economic uncertainties, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture and various other macroeconomic factors.

### Sectoral Challenge

Our business is highly dependent on the state of development of the Indian economy and the macroeconomic environment prevailing in India. Since

the use of our Projects, our expansion plans and future projects depend or will depend on macroeconomic factors that may negatively impact the demand of development of road infrastructure projects in India, or timely commencement of their operations could in turn have a material adverse effect on our growth prospects, business and cash flows. In addition, access to financing may be more expensive or not available on commercially acceptable terms during economic downturns. Any of these factors and other factors beyond our control could influence outcomes.

The Project SPVs are entitled to certain benefits under Section 80-IA of the Income Tax Act, 1961, as amended if certain conditions are satisfied. However, the benefits of the Project SPVs may expire at various points in time. Any expiry, termination or Government of India's withdrawal of these tax benefits could result in an increase in the Trust's tax expenses, thereby adversely affecting the Trust's, or the Project SPVs' results of operations and cash flows.

## Political Challenge

The Government of India is focusing to encourage private participation in the infrastructure sector, however any adverse change in policy could result in a further slowdown of the Indian economy. Any significant changes in a particular government's policy for the road infrastructure sector could have a significant effect on the Trust's revenues, expenditure and growth prospects as they relate to future projects. The results of operations of future projects are likely to be affected by budgetary allocations made by the various central and state government agencies for the infrastructure sector as well as funding provided by international and multilateral development finance institutions for road infrastructure projects.

Further, trends in particular government's approach to infrastructure – such as slowdowns in the volume of build-operate-transfer projects for which concessions are granted – may be likely to affect the Trust's business, financial condition and results of operations. Policies relating to tolling methodologies, exemptions and changing political or social imperatives can also affect the Trust's or the Project SPVs' businesses.

## Business Challenge

In some of our concession agreements, our income from interest on balance completion cost is linked with RBI Bank Rate and income from operation and maintenance is linked with the movements of inflation indices in a relevant period. However, there are no specific provisions in our concession agreements protecting us against increases in interest rates on our borrowings or cost of raw materials except to the limited extent of rates linked to RBI Bank Rate and inflation. Our lenders may have the right to periodically adjust our interest rates and our applicable interest rates may increase based on their review of our credit profile and perceived risks in our operations. Our operational costs may also increase substantially if the O&M Contractor fails to perform its duties as per the O&M Agreements. Many factors causing such adverse changes are beyond our control, and we are usually not able to demand matching increases in our tolling rates or annuities. Even if we invoke the inflation adjustment clauses in some of our concession agreements, the increase may not be adequate to offset the negative impact of increases in interest rates or the O&M costs.

In our annuity BOT projects or BOT projects with an annuity component, our annuity revenue depends on the fixed amounts paid to us by our government clients. The amount of annuity is not necessarily linked to our actual costs of construction and may only be deducted pursuant to the relevant concession agreements. In our toll-based projects or projects with a toll component, our toll revenue depends on the tolling rates set by the relevant concessioning authority in accordance with the relevant concession agreements and the actual traffic volume using our roads. Our decision to undertake BOT

road projects is largely based on our estimate of our expected toll revenue, which in turn partly based on our estimate of the traffic volume using our roads.

Traffic volume may be affected by a number of factors beyond our control, including general economic conditions, alternate routes, alternate means of transportation, location of toll plazas, weather conditions, demographic changes, fuel prices, reduction in commercial or industrial activities in the regions served by the roads and natural disasters. Thus, the actual traffic volume may be lower than our estimate. Decreases in traffic volume could result in a significant loss of our toll revenue. In addition, our concession agreements typically limit and regulate increases in tolling rates. Usually, the NHAI sets the applicable tolling rates, and we may not be able to increase tolling rates to cover increases in our operational costs.

In some of our concession agreements, adjustments of annuities are linked to the movements of inflation indices in a relevant year. However, there are no provisions in our concession agreements protecting us against increases in interest rates or cost of raw materials. Our lenders may have the right to periodically adjust our interest rates and our applicable interest rates may increase based on their review of our credit profile and perceived risks in our operations. Our operational costs may also increase substantially during the operation of our BOT projects due to shortage of raw materials or substantial increases in prices of raw materials required for operation and maintenance beyond the permitted scope of adjustment due to occurrence of certain events under the relevant provisions of the concession agreements. Many factors causing such adverse changes are beyond our control, and we are usually not able to demand matching increases in our tolling rates over and above fixed increase of 3% and 40% of variation in WPI or annuities. Even if we invoke the inflation adjustment clauses in some of our concession agreements, the increase may not be adequate to offset the negative impact of increases in interest rates or cost of raw materials.

Under the relevant concession agreements, our Project SPVs have rights to construct and operate the road projects exclusively for fixed periods of time and we receive annuities and/or tolls, as the case may be, for the use of our roads. However, we may be faced with competition from new roads developed by State Governments, which are not within our control. For example, MPRDC has the right to construct competing roads after a prescribed period, pursuant to the terms of the concession agreements. State Governments may not always charge for the use of these roads. There can be no assurance that our road projects will compete effectively against such roads that connect the same locations. Any material decrease in the actual traffic volume as compared to our forecasted traffic volume could have a material adverse effect on our cash flows from our tolling projects, which in turn can adversely affect our business, prospects, financial condition and results of operation.

As our BOT projects often require significant capital investment with potential returns spread over a long period of time, inadequate toll revenues and annuities collected from our projects may result in a low return or even loss on our investment, which may adversely affect our liquidity, business, financial condition and results of operation.

### Summary of Significant Accounting Policies

A summary of the significant accounting policies applied for the preparation of the financial statements of Shrem InvIT is provided in the notes of the Consolidated Financial Statements. Kindly refer note no. 2 of the Consolidated Financial Statements for the details.

### Internal Control and Systems

Shrem InvIT has robust internal control system to manage its operations, financial reporting and compliance requirements. The investment manager has clearly defined roles and responsibilities for all managerial

positions. All the business parameters are regularly monitored, and effective steps are taken to control them. Regular internal checks are undertaken to ensure that responsibilities are executed effectively. The audit committee of the Board of Directors of Investment Manager periodically reviews the adequacy and effectiveness of internal control systems and suggests improvements to further strengthen them.

### Cautionary Statement

Statements in this Management Discussion and Analysis describing the InvIT's projections, estimates, expectations or predictions and those are forward looking statements within the meaning of applicable laws and regulations. The Trust has undertaken various assessments and analysis to make assumptions on future expectations on business development. However, various risks and unknown factors could cause differences in the actual developments from our expectations.



# Financial Performance of Shrem InvIT

## About Shrem InvIT

InvIT is set-up for the purposes of carrying out the activity of an infrastructure investment trust and for making investments in the infrastructure projects SPVs or securities of Indian companies engaged in the infrastructure sector, as may be permitted, in accordance with InvIT Regulations. We were registered with SEBI as an InvIT on February 4, 2021. Our Sponsor, Shrem Infrastructure Private Limited, is a part of the Shrem group.

The Shrem group was founded in 2010 by Nitin Chhatwal, and has managed diverse investments in the hospitality, health care, real estate, and infrastructure sectors. The Sponsor has set up the irrevocable trust set-up under the Indian Trusts Act, 1882 and registered with the Securities and Exchange Board of India as an infrastructure

investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.

The Trust currently owns, operates, and maintains a portfolio of 32 road assets and two more SPVs are under acquisition, which are expected to be completed shortly. These 34 projects (including 2 proposed acquisitions) offer geographical diversification as they are spread across nine states viz. Madhya Pradesh, Maharashtra, Uttar Pradesh, Karnataka, Gujarat, Jharkhand, Andhra Pradesh, Odisha and Chhattisgarh. These roads are operated and maintained pursuant to terms & conditions of Concession Agreements entered by concessionaire SPVs and within the framework of SEBI InvIT Regulations, 2014.

## Financial Summary

The Summary of financial information on Consolidated & Standalone Financial Statement of the InvIT as of March 31, 2023, are as follows:

(Rs. In Lakhs)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2023	For the period from Sept 16, 2021 to March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Total Income	1,43,391.24	58,734.78	63,958.63	39,522.21
Total Expenditure	98,165.18	29,298.67	62,941.73	15,964.02
Profit before tax	45,226.06	29,436.11	1,016.90	23,558.19
Less: Provision for tax	-	-	-	-
Current tax	133.49	(222.15)	-	-
Deferred tax	(3,209.16)	(102.40)	-	-
Tax of earlier period	(45.38)	(103.04)	-	-
Profit after tax	48,347.11	29,863.70	1,016.90*	23,558.19
Less: Share of Profit / (loss) of Pre-acquisition Period acquisition Period	-	-	-	-
Add: Share of Profit/(Loss) of Associates	339.54	-	-	-
Profit & Loss attributable to:				
(a) Owners of parent	48,399.86	29,195.99	-	-
(b) Non-controlling interest	286.79	667.71	-	-
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	48,399.86	29,195.99	1,016.90	23,558.19
Add: Profit at the beginning of the year	13,485.23	(335.62)	7,847.43	(335.62)
Reversal of excess share of profit of NCI	1,441.63	-	-	-
Distribution made during the year	(16,106.72)	(15,375.14)	(16,106.72)	(15,375.14)
Other comprehensive income/(loss) for the period	-	-	-	-
Balance Carried Forward to Balance Sheet	47,220.01	13,485.26	(7,242.39)	7,847.43

\*Profit for the financial year 2022-23 is reduced as compared to the previous year on account of return of capital to unitholders and few of the portfolio assets are near maturity where fair value of such assets is aligned with the Investment value recorded in InvIT books. Further, this reduction represents merely a notional loss and does not embody any cash outflow.

**Gearing ratios of the invit as at the end of the year**

(Rs. in Lakhs)

Particulars	Amount	Amount
Enterprise Value		11,69,580
Outstanding Debt (State Bank of India & Union Bank of India)	6,09,951	
Less: Cash & Cash equivalent	(704,89)	
Net Debt at InvIT	539,462	539,462
<b>Debt to Equity</b>		<b>46.12%</b>

**Operating expenses of InvIT**

(Rs. in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i)	Audit Fees	13.10	10.60
(ii)	Legal & professional fees	982.22	82.79
(iii)	Rent, Rates & Taxes	0.62	(32.87)
(iv)	Miscellaneous	12.07	0.65
(v)	Other supportive expenses	-	2591.45
(vi)	Registration & Stamp Duty	1.67	17.42
(vii)	Insurance Expenses	4.28	3.26
(viii)	Interest on Statutory dues	-	0.02
(ix)	Listing Fees	28.00	10.50
(x)	Investment Manager Fees	1,247.90	627.33

# Credit Rating

Shrem InvIT enjoys a long-term debt rating of AAA (Stable) by India Ratings and Research, a Fitch Group company, which signifies the highest safety. This inter alia is on account of a robust cashflow cover,

cash pooling benefit and structural features of an InvIT. The rationale for this is available on the website <https://www.indiaratings.co.in>.



# Overview of our Asset Portfolio

The Projects, consisting of both National Highways and State Highways, are located in nine different States of India i.e. Madhya Pradesh, Maharashtra, Uttar Pradesh,

Gujarat Karnataka, Odisha, Chhattisgarh, Andhra Pradesh and Jharkhand.

## Gujarat (GJ)

- DBL Nadiad Modasa

## Maharashtra (MH)

- DBL Kalmath-Zarap
- DBL Tuljapur Ausa
- DBL Mahagaon Yavatmal
- DBL Yavatmal Wardha
- DBL Wardha Butibori
- DBL Sangli Borgiaon

## Uttar Pradesh (UP)

- DBL Lucknow Sultanpur

## Karnataka (KA)

- DBL Bellary Byrapura
- DBL Mundargi Harapanahalli
- DBL Hassan Periyapatna
- DBL Hirekerur Ranibennur
- DBL Byrapura Challakere
- DBL Bangalore Nidagatta

## Andhra Pradesh (AP)

- DBL Anandapuram Anakapalli

## Madhya Pradesh (MP)

- Suryavanshi Infrastructure
- DBL Hata Dargawon
- DBL Betul Sarni
- DBL Mundi Sanawad
- DBL Jaora-Sailana
- DBL Silwani-Sultanganj
- DBL Bankhalfata-Dogowa
- DBL Uchera-Nagod
- DBL Sardarpur-Bandawar
- DBL Ashoknagar-Vidisha
- DBL Sitamau-Suwasara
- DBL Tikamgarh Nowgaon
- DBL Patan-Rehli
- Jalpa Devi Tollways

## Jharkhand (JK)

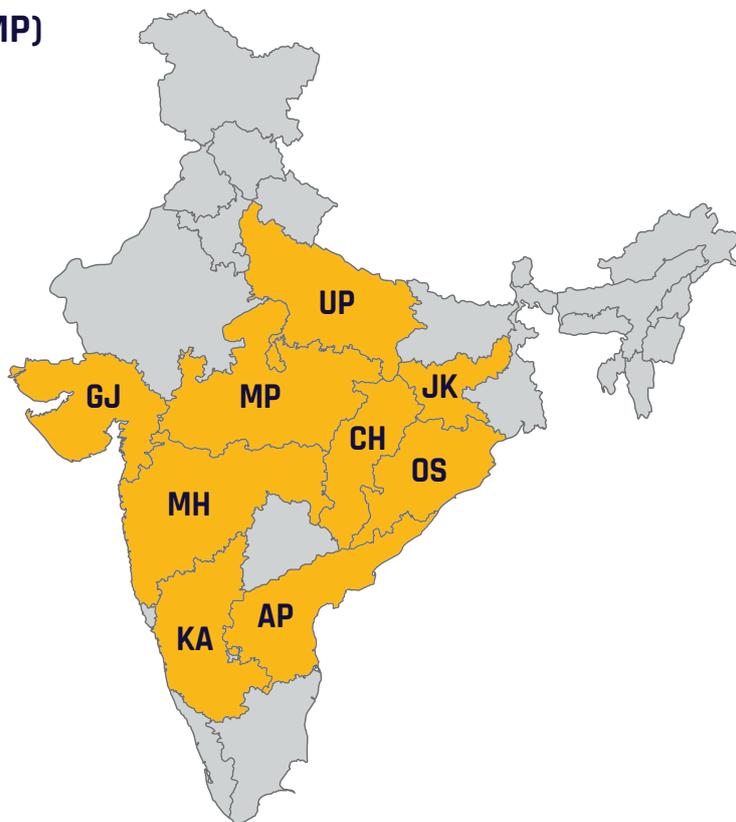
- DBL Gorhar Khairatunda

## Odisha (OS)

- DBL Chandikhole Bhadrak

## Karnataka (KA)

- DBL Nidagatta Mysore



## Assets under acquisition

### Chhattisgarh (CH)

- Pathrapali Kathgora

### Madhya Pradesh (MP)

- DBL Rewa Sidhi

### Brief details of all the assets of the invit, project-wise

Sr. No.	Relevant Project SPV	Particulars of the Project (as per the Concession Agreements)	Lane Kilometers (in km)*	State
1	DBL Lucknow Sultanpur Highways Limited ("DLSHL")	Augmenting the existing road from 11.500 kilometer to 134.700 kilometer (approximately 127.425 kilometer) on the Lucknow-Sultanpur section of National Highway number 56 (new National Highway number 731) by four-laning thereof on design, build, operate and transfer (annuity) basis.	666.77	Uttar Pradesh
2	DBL Kalmath Zarap Highways Limited ("DKZHL")	Augmenting the existing road from kilometer 406.030 to kilometer 450.170 (43.905 kilometer) on the Kalmath-Zarap section of National Highway number 17 (new National Highway number 66) by four-laning on design, build, operate and transfer (annuity) basis.	267.40	Maharashtra
3	DBL Yavatmal Wardha Highways Private Limited ("DYWHPL")	Augment the existing road from kilometer 400.575 to kilometer 465.500 of Yavatmal-Wardha section of National Highway number 361 by four-laning on design, build, operate and transfer (annuity) basis.	370.55	Maharashtra

Sr. No.	Relevant Project SPV	Particulars of the Project (as per the Concession Agreements)	Lane Kilometers (in km)*	State
4	DBL Tuljapur Ausa Highways Limited ("DTAHL")	Augmenting the existing road from kilometer 0.000 to kilometer 55.835 (existing chainage: kilometer 416.000 to kilometer 470.000) (approximately 67.428 kilometer) on the Tuljapur-Ausa (including Tuljapur bypass) section of National Highway number 361 by four-laning on design, build, operate and transfer (annuity) basis.	376.96	Uttar Pradesh
5	DBL Wardha Butibori Highways Private Limited ("DWBHPL")	Augmenting the existing road from kilometer 28.800 to kilometer 85.374 (approximately 59.374 kilometer) on the Wardha-Butibori section of National Highway number 361 by four-laning on design, build, operate and transfer (annuity) basis.	351.93	Maharashtra
6	DBL Mahagaon Yavatmal Highways Private Limited ("DMYHPL")	Augmenting the existing road from kilometer 320.580 to kilometer 400.575 (approximately 80.195 kilometer) on the Mahagaon to Yavatmal section of National Highway number 361 by four-laning thereof on design, build, operate and transfer (annuity) basis.	450.42	Maharashtra
7	DBL Ashoknagar Vidisha Tollways Private Limited ("DAVTPL")	Augmenting the existing road from bypass junction of Ashoknagar (kilometer 0/10) to Bangla Chauraha (kilometer 35.68) (approximately 35.68 kilometer), on the section of major district road by two-laning on build, operate and transfer (toll plus annuity) basis.	107.04	Madhya Pradesh
8	DBL Betul Sarni Tollways Limited ("DBSTL")	Augmenting the existing road from kilometer 0.00 (Kamani Gate Betul) to kilometer 124.10 (approximately 124.10 kilometer) on the section of State Highway number 43 by two-laning on design, build, finance, operate and transfer (toll plus annuity) basis.	372.30	Madhya Pradesh
9	DBL Hata-Dargawon Tollways Limited ("DHDTL")	Augmenting the existing road from kilometer 0.00 (Damoh naka in Ilatta town) to kilometer 64.40 (at Dargawon Tiraha) (approximately 64.40 kilometer), section of the State Highway number 48, by intermediate-laning on build, operate and transfer (toll plus annuity) basis.	193.20	Madhya Pradesh
10	DBL Silwani Sultanganj Tollways Limited ("DBL Silwani")	Augmenting the existing road from kilometer 0.00 to kilometer 75.995 (approximately 76.00 kilometer) on the Silwani-Sultanganj-Jaisinghnagar-Sagar Road section of State Highway number 15 by intermediate-laning / two-laning on design, build, finance, operate and transfer (toll plus annuity) basis.	228.00	Madhya Pradesh
11	DBL Sitamau Suwasara Tollways Limited ("DSSTL")	Augment the existing road from kilometer 0/00 to kilometer 34/000 (approximately 34.97 kilometer) on the Sitamau-Basai-Suwasara section of major district road by two-laning on design, build, finance, operate and transfer (toll plus annuity) basis.	104.91	Madhya Pradesh
12	DBL Mundi - Sanawad Tollways Limited ("DMSTL")	Augmenting the existing road from kilometer 0.00 (at Mundi) to kilometer 64.400 (at Sanawad town) (approximately 67.63 kilometer) on the Mundi-Punasa-Sulgaon- Sanawad section of the major district road by two-laning on design, build, finance, operate and transfer (toll plus annuity) basis.	202.89	Madhya Pradesh

Sr. No.	Relevant Project SPV	Particulars of the Project (as per the Concession Agreements)	Lane Kilometers (in km)*	State
13	DBL Uchera-Nagod Tollways Limited ("DUNTL")	Augmenting the existing road from kilometer 32.00 (near Nagod National Highway number 75) to kilometer 87.00 (near Uttar Pradesh Border) including 1.70 kilometer Nagod bypass (approximately 55.60 kilometer) on the section of State Highway number 56 by two-laning on design, build, finance, operate and transfer (toll plus annuity) basis.	166.80	Madhya Pradesh
14	DBL Sardarpur Badnawar Tollways Limited ("DSBTL")	Augmenting the existing road from kilometer 0/00 to kilometer 43/300 (approximately 43.00 kilometer) on the Sardarpur-Badnawar Road section of State Highway number 34 by two-laning on design, build, finance, operate and transfer (toll plus annuity) basis	129.00	Madhya Pradesh
15	DBL Patan Rehli Tollways Limited ("DPRTL")	Augmenting the existing road from kilometer 31/10 of State Highway number 15 Rehli-Gorjhamar-Patan Chok and cross the junction of kilometer 113/00 of Rehli Gourjhamar State Highway number 15 including bypass of Rehli which is about 4.4 kilometer and terminated at kilometer 38/10 (approximately 86.60 kilometer) on the section of State Highway number 15 by two-laning on design, build, finance, operate and transfer (toll plus annuity) basis.	259.80	Madhya Pradesh
16	DBL Tikamgarh - Nowgaon Tollways Limited ("DTNTL")	Augmenting the existing road from Y-junction in kilometer 10/8 at Tikamgarh-Malehra road (State Highway number 10) to kilometer 107 of Jhansi-Nowgaon (National Highway number 76) (approximately 76.40 kilometer), the section of major district road by two-laning on build, operate and transfer (toll plus annuity) basis	229.20	Madhya Pradesh
17	DBL Nadiad Modasa Tollways Private Limited ("DNMTPL")	Improving the section Nadiad-Madhudha-Kathial-Kapadwanj-Bayad-Modasa from kilometer 0.60 to kilometer 109.00 on State Highway number 59 by strengthening and widening to two-laning on design, build, finance, operate and transfer (annuity) basis.	325.20	Gujarat
18	DBL Bankhalafata - Dogawa Tollways Limited ("DBDTL")	Augmenting the existing three major district roads under package-I comprising (i) Bankhalafata - Dogawa - via - Borawa - Savardevala (23.67 kilometer); (ii) Punasa-Mundi-Singhaji (thermal power plant) and Singhaji bridge approach road (13.30 kilometer); and (iii) Beed-Mundi-Devala-Khutala-Attoot-NVDA (28.43 kilometer) (total length of 65.40 kilometer) by intermediate-laning / two-laning on design, build, finance, operate and transfer (annuity) basis.	196.20	Madhya Pradesh
19	DBL Jaora-Sailana Tollways Limited ("DJSTL")	Augmenting the existing four major district roads under package-IV comprising (i) Jaora - Piplodha - Jalandharkheda and Piploda-Sailana (42.27 kilometer); (ii) Raipururiya-Petlabad-Bamniya (18.18 kilometer); (iii) Jawad-Khoh (21.07 kilometer); and (iv) Soyat-Pidawa (6.25 kilometer) (total length of 87.77 kilometer) by intermediate-laning / two-laning on design, build, finance, operate and transfer (annuity) basis.	263.31	Madhya Pradesh

Sr. No.	Relevant Project SPV	Particulars of the Project (as per the Concession Agreements)	Lane Kilometers (in km)*	State
20	DBL Mundargi Harapanahalli Tollways Private Limited ("DMHTPL")	Augmenting the existing State Highway from Mundargi-Hadagali-Harapanahalli (approximate length 51.21 kilometer) on design, build, finance, operate, maintain and transfer (annuity) basis.	153.63	Karnataka
21	DBL Hassan Periyapatna Tollways Limited ("DHPTL")	Augmenting the existing State Highway from Hassan-Ramanathapura-Periyapatna (approximate length of 73.69 kilometer) on design, build, finance, operate, maintain and transfer (annuity) basis.	221.07	Karnataka
22	DBL Hirekerur Ranibennur Tollways Private Limited ("DHRTP")	Augmenting the existing State Highway from Hirekerur-Ranibennur (approximate length 55.69 kilometers) on design, build, finance, operate, maintain and transfer (annuity) basis.	167.07	Karnataka
23	Jalpa Devi Tollways Limited ("JDTL")	Augmenting the existing road National Highway number 3 from kilometer 332.100 to kilometer 426.100 (approximately 93.500 kilometer) on the Guna-Biaora section of National Highway number 3 by four-laning on design, build, finance, operate and transfer (toll) basis.	506.70	Madhya Pradesh
24	Suryavanshi Infrastructure Private Limited ("Suryavanshi Infra")	Reconstruction, strengthening, widening and rehabilitation of Mandsaur-Sitamau section from existing kilometer stone 18 and ends at the existing kilometer stone 62 at Chambal River (Rajasthan border) (total 44 kilometer) on State Highway number 14 section, and its operation and maintenance, on build, operate and transfer basis.	132.00	Madhya Pradesh
25	DBL Anandapuram Anakapalli Highways Private Limited ("DAAHPL")	Augmenting the existing two/four lane road from kilometer 681.000 to kilometer 731.780 (approximately 50.780 kilometer) on the Anandapuram to Anakapalli section of National Highway number 16 by six-laning thereof on design, build, operate and transfer (annuity) basis.	50.780	Andhra Pradesh
26	DBL Bellary Byrapura Highways Private Limited ("DBBHPL")	Augmenting the existing two lane road from kilometer 253.600 to kilometer 308.550 (approximately 54.950 kilometer) on the Bellary to Byrapura section of National Highway number 150A by four-laning thereof on design, build, operate and transfer (annuity) basis.	54.950	Karnataka
27	DBL Byrapura Challakere Highways Private Limited ("DBCHPL")	Augmenting the existing two lane road from kilometer 253.600 to kilometer 308.550 (approximately 54.950 kilometer) on the Byrapura to Challakere section of National Highway number 150A by four-laning thereof on design, build, operate and transfer (annuity) basis.	49.95	Karnataka
28	DBL Gorhar Khairatunda Highways Private Limited ("DGKHPL")	Augmenting the existing four lane road from kilometer 320.810 to kilometer 360.330 (approximately 40.192 kilometer) on the Gorhar to Khairatunda section of National Highway number 2 by six-laning thereof on design, build, operate and transfer (annuity) basis.	40.192	Jharkhand

Sr. No.	Relevant Project SPV	Particulars of the Project (as per the Concession Agreements)	Lane Kilometers (in km)*	State
29	DBL Sangli Bargaon Highways Limited ("DSBHL")	Augmenting the existing two lane road from kilometer 182.556 to kilometer 224.000 (approximately 41.444 kilometer) on the Sangli to Bargaon section of National Highway number 166 by four-laning thereof on design, build, operate and transfer (annuity) basis.	41.444	Maharashtra
30	DBL Bangalore Nidagatta Highways Private Limited ("DBNHPL")	Augmenting the existing four lane road from kilometer 18.000 to kilometer 74.200 (approximately 41.444 kilometer) on the Bangalore to Nidagatta section of National Highway number 275 by six-laning thereof on design, build, operate and transfer (annuity) basis.	56.2	Karnataka
31	DBL Nidagatta Mysore Highways Private Limited ("DNMHPL")	Augmenting the existing four lane road from kilometer 74.200 to kilometer 135.304 (approximately 61.104 kilometer) on the Nidagatta to Mysore section of National Highway number 275 by six-laning thereof on design, build, operate and transfer (annuity) basis.	61.104	Karnataka
32	DBL Chandikhole Bhadrak Highways Limited ("DCBHL")	Augmenting the existing four lane road from kilometer 62.000 to kilometer 136.500 (approximately 74.500 kilometer) on the Chandikhole to Bhadrak section of National Highway number 16 by six-laning thereof on design, build, operate and transfer (annuity) basis.	74.500	Orissa

\*The calculation of lane kilometres is done as per the circular of MoRTH (Ref. No.341/PS/Secretary/RTH/2018) dated March 1, 2018 ("MoRTH Measurement Circular"). As per the MoRTH Measurement Circular, the linear measurement of the project highway has been dispensed with.)

## Details of Project-wise Revenue and Expenditure and EBITDA during the Year from the Underlying Projects

The Projects are divided into four types, based on form of revenue being generated by a project i.e. (i) hybrid annuity; (ii) toll; (iii) annuity; and (iv) annuity plus toll:

Revenue figures are based on actual cashflow for the whole year.

### HAM & NHAI Toll (JDTL)

Particulars	(Amt in Lakhs)					
	Lucknow Sultanpur	Kalmath Zarap	Mahagaon Yavatmal	Tuljapur Ausa	Wardha Butibori	Yavatmal Wardha
Net Annuity Income	16,386.81	8,243.35	9,649.95	7,032.49	8,972.64	9,098.98
Toll Income	-	-	-	-	-	-
Other Income	71.11	26.19	31.63	21.79	44.88	51.03
<b>Total Income (A)</b>	<b>16,457.92</b>	<b>8,269.54</b>	<b>9,681.58</b>	<b>7,054.28</b>	<b>9,017.52</b>	<b>9,150.01</b>
O&M Exp	2,256.00	1,025.31	2,017.51	670.00	837.00	1,439.83
Other Expenses	586.15	320.11	331.31	394.59	387.96	365.71
<b>Total Expenses (B)</b>	<b>2,842.15</b>	<b>1,345.42</b>	<b>2,348.82</b>	<b>1,064.59</b>	<b>1,224.96</b>	<b>1,805.54</b>
<b>EBITDA (A)-(B)</b>	<b>13,615.77</b>	<b>6,924.12</b>	<b>7,332.76</b>	<b>5,989.69</b>	<b>7,792.56</b>	<b>7,344.47</b>

\* Payment of DLP deposit during O&M moratorium under HAM Projects.

**HAM & NHAI Toll (JDTL)**

(Amt in Lakhs)

Particulars	Jalpa Devi	Anandapuram Anakapalli	Bellary Byrapura	Gorhar Khairatunda	Sangli Bargaon
Net Annuity Income	-	8,032.96	4,410.36	-	4,432.16
Toll Income	15,370.12	-	-	-	-
Other Income	75.52	25.62	42.39	12.54	13.25
<b>Total Income (A)</b>	<b>15,445.64</b>	<b>8,058.58</b>	<b>4,452.75</b>	<b>12.54</b>	<b>4,445.42</b>
O&M Exp	375.06	1,045.41	539.20	211.11	100.69
Other Expenses	739.25	540.17	368.39	301.11	1,941.16
<b>Total Expenses (B)</b>	<b>1,114.31</b>	<b>1,585.58</b>	<b>907.58</b>	<b>512.23</b>	<b>2,041.85</b>
<b>EBITDA (A)-(B)</b>	<b>14,331.33</b>	<b>6,473.00</b>	<b>3,545.17</b>	<b>-499.68</b>	<b>2,403.56</b>

**a. State Assets (Annuity Plus Toll & State Toll)**

(Amt in Lakhs)

Particulars	Ashonagar	Hata	Mundi	Patan	Sardarpur	Silwani
Net Annuity Income	1,008.00	1,404.00	1,656.00	3,528.00	942.00	1,898.00
Toll Income	228.55	235.49	606.17	444.04	241.05	379.28
Other Income	24.15	7.82	24.22	25.45	14.48	10.17
<b>Total Income (A)</b>	<b>1,260.70</b>	<b>1,647.31</b>	<b>2,286.38</b>	<b>3,997.49</b>	<b>1,197.53</b>	<b>2,287.45</b>
O&M Exp	94.47	198.38	179.49	271.38	97.90	183.78
Other Expenses	61.59	100.34	119.37	344.99	64.62	112.01
<b>Total Expenses (B)</b>	<b>156.06</b>	<b>298.72</b>	<b>298.86</b>	<b>616.38</b>	<b>162.53</b>	<b>295.79</b>
<b>EBITDA (A)-(B)</b>	<b>1,104.64</b>	<b>1,348.59</b>	<b>1,987.52</b>	<b>3,381.12</b>	<b>1,035.00</b>	<b>1,991.66</b>

\*Please note all the projects are completed and no work is on going in the project.

(Amt in Lakhs)

Particulars	Sitamau	Tikamgarh	Uchera	Suryavanshi	Betul
Net Annuity Income	738.00	1,782.00	1,692.00	-	3,096.00
Toll Income	416.17	547.63	496.81	777.61	1,038.93
Other Income	9.14	64.39	23.51	5.99	28.56
<b>Total Income (A)</b>	<b>1,163.32</b>	<b>2,394.02</b>	<b>2,212.32</b>	<b>783.61</b>	<b>4,163.50</b>
O&M Exp	76.43	229.30	155.44	139.99	382.13
Other Expenses	56.39	127.93	119.31	91.96	253.82
<b>Total Expenses (B)</b>	<b>132.83</b>	<b>357.23</b>	<b>274.76</b>	<b>231.95</b>	<b>635.96</b>
<b>EBITDA (A)-(B)</b>	<b>1,030.49</b>	<b>2,036.78</b>	<b>1,937.56</b>	<b>551.66</b>	<b>3,527.54</b>

\*Please note all the projects are completed and no work is on going in the project.

**b. State Assets (Annuity)**

(Amt in Lakhs)

Particulars	Hassan	Hirekerur	Nadiad	Mundargi	Jaora	Bankhlafata
Net Annuity Income	5,256.00	3,924.00	3,492.00	3,546.00	2,412.00	1,980.00
Toll Income	-	-	-	-	-	-
Other Income	24.21	8.05	28.88	7.96	20.73	9.86
<b>Total Income (A)</b>	<b>5,280.21</b>	<b>3,932.05</b>	<b>3,520.88</b>	<b>3,553.96</b>	<b>2,432.73</b>	<b>1,989.86</b>
O&M Exp	533.45	363.96	295.43	330.06	253.35	173.48
Other Expenses	138.48	89.14	410.62	72.12	148.26	91.95
<b>Total Expenses (B)</b>	<b>671.93</b>	<b>453.10</b>	<b>706.05</b>	<b>402.19</b>	<b>401.60</b>	<b>265.43</b>
<b>EBITDA (A)-(B)</b>	<b>4,608.28</b>	<b>3,478.95</b>	<b>2,814.83</b>	<b>3,151.77</b>	<b>2,031.13</b>	<b>1,724.42</b>

\*Please note all the projects are completed and no work is ongoing in the project.

# Environment, Social & Governance (ESG) Report

As per the management's policy we do not acquire/ invest in under-constructed road projects. Thus, we are not engaged in construction activity that directly cause environmental hazards. However, Shrem InvIT, as a responsible Corporate, voluntarily takes care of Environmental, Social and Governance (ESG) compliance. Apart from providing stability in the business, it is an opportunity to build a strong relationship with all the stakeholders and it acts as a key differentiator to enhance relevancy and trust with them.

Our Board plays a pivotal role in providing oversight of our efforts to ensure responsible business practice. Building a sustainable future is the center of our business. Our Sustainable Progress Strategy sets out three key pillars of activities as follows:

## Environmental

Shrem InvIT is committed to sustainable growth towards the environment and society. The InvIT passively (through its Project Manager) takes care to develop, implement and administer a surveillance and safety programme for providing a safe environment on or about all the ongoing Projects, and comply with the safety requirements.

The project manager, while carrying out the Operation and Maintenance of the Assets under Trust, advised to undertake all such activities and initiatives pertaining to environmental consciousness and betterment of society.

The Trust and the Project Manager are committed to ensuring adequate tree plantations, energy conservation and ensuring minimal impact of operations on the environment by providing means for seamless transportation, aiming at improving the efficient use of resources over time with a low carbon footprint.

## Social

The SPVs under the trust have founded a '**Shrem Sewa Foundation**' with objects inter alia to contribute to animal protection and welfare. This foundation mainly works for stray animals, who are victims of road fatalities and injuries.

Shrem Sewa Foundation has set up a gaushala near Biaora, on approximately fifty acres of land which is providing shelter and fodder to approximately two thousand stray cattle.

The Senior management embraces top-down driven approach by demonstrating safety leadership at all levels. Site visits and audits are conducted to maintain/improve performance of the road assets.

Further, each of our road assets are a connection between the hinterlands and urban cities. Thus, the Trust

helps society with improved transportation, easy mobilization, access to modernization and employment opportunities and creating a positive impact on society.

Employees are important stakeholders and valuable assets for the organization. Their safety and welfare is ensured by the Investment Manager and Project Manager.

## Governance

The Management of Shrem InvIT believes in fair and transparent governance as a good corporate citizen. Trust along with its Investment Manager considers that good governance brings sustained corporate growth and long-term benefits for the stakeholders. In line with these beliefs, they follow sound corporate practices based on conscience, openness, fairness, professionalism, and accountability in building the confidence of its various stakeholders in it thereby paving the way for its long-term success.

Shrem InvIT is subject to supervision and scrutiny by various regulatory authorities including various intermediaries which are:

- Securities Exchange Board of India (SEBI)
- Ministry of Corporate Affairs (MCA)
- National Highway Authority of India (NHAI)
- Ministry of Road Transport and Highways (MoRTH)
- State Concessing Authorities

We are committed to the adoption of the best corporate governance practices that go beyond compliance with the laws. We understand the importance of doing business right manner each and every day and conducting ourselves with integrity. We believe in building strong stakeholder relations through becoming the listening organization to address stakeholders' issues as a priority matter, interacting with the Regulators towards a better regulatory framework in the interest of all stakeholders.

The Trust is managed by an Investment Manager and half of its Board consists of Independent Directors. The management of the Investment Manager is governed by an experienced Board of Directors and professionals who have made strategic contributions to the development of the infrastructure sector and Banking over the last multiple decades.

Since its inception, the Trust is audited by a prestigious independent Audit firm. Besides the statutory audit, there are internal checks and audits to control and keep an eye on internal operations.

Our Trustee has been playing an active role and overlooking activities of the InvIT independently, to ensure that the business of the Trust is being carried out in line with the objectives and regulations.

# Summary of Valuation of Assets & Net Assets Value (NAV)

The valuation has been conducted by Mr. S. Sundararaman, being an independent valuer (the "Valuer") bearing IBBI registration number IBBI/RV/06/2018/10238, who has conducted independent appraisals of the Project SPVs with transparency and fairness and ensured that the valuation of the InvIT Assets is impartial, true and fair.

As per Regulation 21(4) of Chapter V of the SEBI InvIT Regulations, 2014.

"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 31<sup>st</sup> within two months from the date of the end of such year."

The Registered valuer has been mandated by the Investment Manager to arrive at the Enterprise Value ("EV") of the SPVs. 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 or cash equivalents to meet those liabilities.

Valuer has assessed the fair enterprise value of each of the SPVs on a stand-alone basis by using the Discounted Cash Flow ("DCF") method under the income approach.

The revenue of all the SPVs, except for the Toll SPVs, is mainly derived from the annuity fees that are typically pre-determined by the relevant government authority and cannot be modified to reflect prevailing circumstances, other than annual adjustments to account for inflation and interest rate changes wherever applicable, as specified in the concession agreements. The Toll SPVs derive almost all of their revenue from their toll-road operations. The Toll SPVs are substantially dependent on the accuracy of the traffic volume forecasts for their respective projects. Accordingly, since all the SPVs are generating income based on pre-determined agreements / mechanism and since the Investment Manager has provided the financial projections for the balance tenor of the concessions agreements, DCF Method under the income approach has been considered as the appropriate method for the present valuation exercise.

## Summary of Value as of March 31, 2023

Sr. No	Name of the company	Enterprise Value (Rs. in Lakhs)
1	DBL Lucknow Sultanpur Highways Limited	1,01,064
2	DBL Kalmath Zaraph Highways Limited	39,851
3	DBL Yavatmal Wardha Highways Private Limited	37,911
4	DBL Tuljapur Ausa Highways Limited	35,677
5	DBL Wardha Butibori Highways Private Limited	44,494
6	DBL Mahagaon Yavatmal Highways Private Limited	48,612
7	DBL Anandapuram Anakapalli Highways Private Limited	96,965
8	DBL Sangli Bargaon Highways Limited	64,530
9	DBL Gorhar Khairatunda Highways Private Limited	41,384
10	DBL Bellary Byrapura Highways Private Limited	46,993
11	DBL Byrapura Challakere Highways Private Limited	31,261
12	DBL Ashoknagar Vidisha Tollways Private Limited	3,753
13	DBL Betul Sarni Tollways Limited	14,695
14	DBL Hata Dargawon Tollways Limited	5,831
15	DBL Silwani Sultanganj Tollways Limited	4,800
16	DBL Sitamau Suwasara Tollways Limited	2,257
17	DBL Mundi Sanawad Tollways Limited	4,872
18	DBL Uchera Nagod Tollways Limited	6,735
19	DBL Sardarpur Badnawar Tollways Limited	2,015
20	DBL Patan Rehli Tollways Limited	17,971
21	DBL Tikamgarh Nowgaon Tollways Limited	7,875
22	DBL Nadiad Modasa Tollways Private Limited	8,487

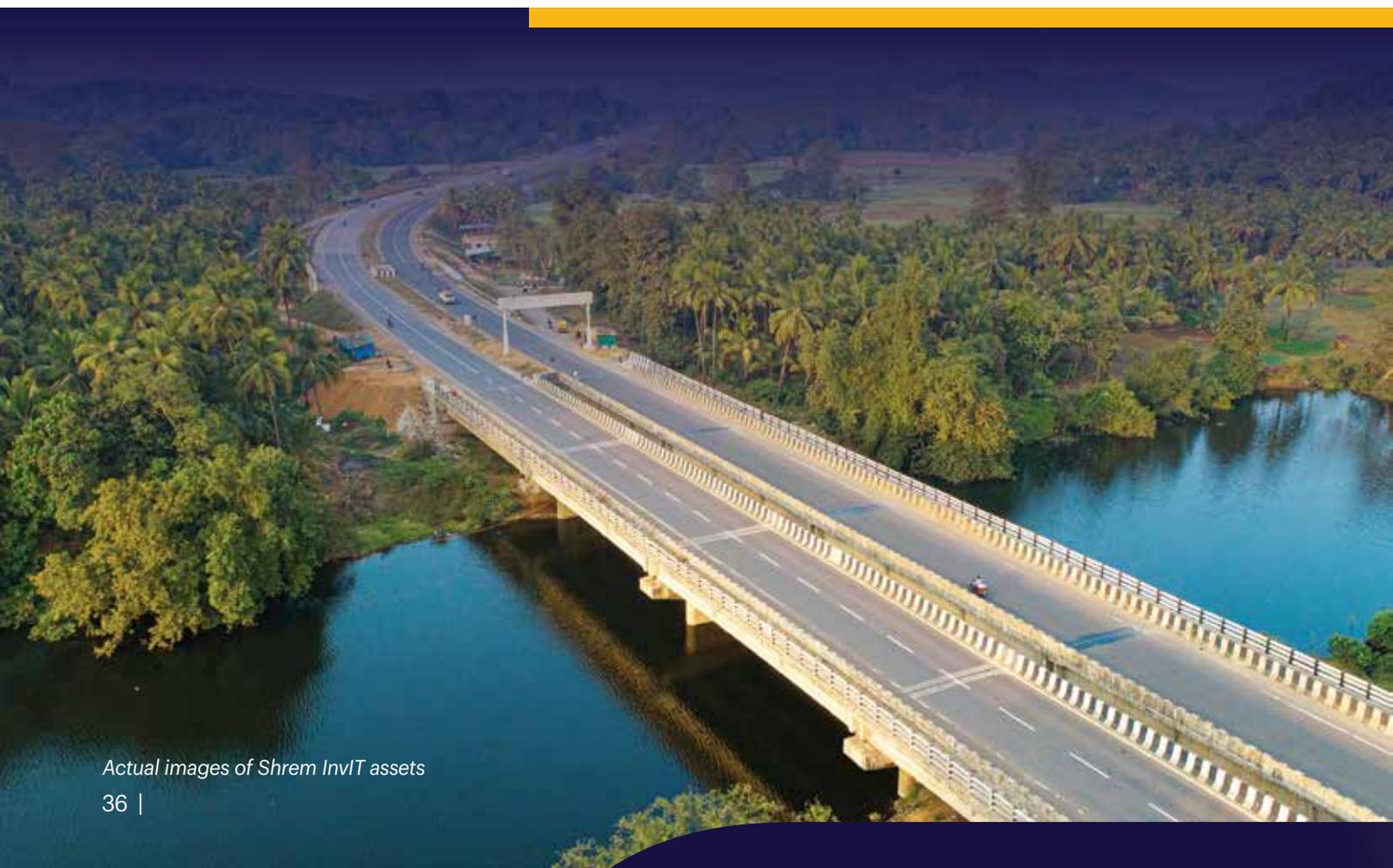
## Summary of Value as of March 31, 2023

Sr. No	Name of the company	Enterprise Value (Rs. in Lakhs)
23	DBL Bankhlfata Dogawa Tollways Limited	5,280
24	DBL Jaora Sailana Tollways Limited	6,843
25	DBL Mundargi Harapanahalli Tollways Private Limited	6,310
26	DBL Hassan Periyapatna Tollways Limited	10,358
27	DBL Hirekerur Ranibennur Tollways Private Limited	7,672
28	Jalpa Devi Tollways Limited	1,96,962
29	Suryavanshi Infrastructure Private Limited	2,735
30	DBL Chandikhole Bhadrak Highways Limited	79,663
31	DBL Rewa Sidhi Highways Private Limited	61,438
32	DBL Bangalore Nidagatta Highways Private Limited	1,24,287
<b>Total Enterprise Value</b>		<b>11,69,580</b>

## Calculation of Net Assets Value (NAV)

(Rs. in Lakhs)

Particulars	Book Value	Fair Value
Total Assets	11,08,878	12,01,279
Total Liabilities	6,09,844	6,11,624
Net Assets	4,90,034	5,89,655
Nos of units (In Lakhs)	5,561	5,561
<b>NAV Per Units (INR)</b>	<b>89.73</b>	<b>106.03</b>



# Other Mandatory Disclosures

(Pursuant to Regulation 23(5) and Schedule-IV of InvIT Regulations, 2014)

## 1. Details of changes during the year

### a. Status of Acquisition of Road Infra Assets

Shrem InvIT has executed a non-binding Term Sheet with Dilip Buildcon Ltd and its affiliates, on January 21, 2022, for acquiring an entire equity stake in a graduated manner in a portfolio of ten Hybrid Annuity Model ("HAM") projects (as detailed in Table-1) which comprises nine completed and one nearing completion projects subject to necessary approvals. During the year, Shrem InvIT has completed 100% stake acquisition of 5 SPVs and 49% stake in 3 SPVs from Dilip Buildcon Limited and its affiliates and the balance shall be completed in a progressive manner after the completion of the project

and/or subject to receipt of approvals from the respective project lenders and NHAI.

The total Equity valuation of said ten projects is expected to be around Rs. 3,20,000 Lakhs. This valuation may undergo change based upon the outcome of final due diligence and on account of the prevailing Bank Rates, outstanding actual debt, inflation-adjusted balance completion, cost etc. of each projects on the actual transfer date.

#### Details of the SPVs acquired/to be acquired is as follows

Sr. No.	Name of the Project	Project Authority	Shareholding in %	Status
1	DBL Byrapura Challakere Highways Pvt. Ltd.	NHAI	100	COD Achieved
2	DBL Gorhar Khairatunda Highways Pvt. Ltd.	NHAI	100	COD Achieved
3	DBL Anandapuram Anakapalli Highways Pvt. Ltd.	NHAI	100	COD Achieved
4	DBL Bellary Byrapura Highways Pvt. Ltd.	NHAI	100	COD Achieved
5	DBL Sangli Borgaon Highways Ltd.	NHAI	100	COD Achieved
6	DBL Chandikhole Bhadrak Highways Ltd.	NHAI	49	COD Achieved
7	DBL Bangalore Nidagatta Highways Pvt. Ltd.	NHAI	49	COD Achieved
8	DBL Nidagatta Mysore Highways Pvt. Ltd.	NHAI	49	COD Achieved
9	DBL Rewa Sidhi Highways Pvt. Ltd.	NHAI	-	COD Achieved
10	Pathrapali Kathgora Highways Pvt. Ltd.	NHAI	-	Under Construction

### b. Any regulatory changes that have impacted or may impact cash flows of the underlying projects

During the year under review, there is no regulatory change that may impact the cash flow of the underlying projects. However, during the year, MoRTH has amended the National Highways Fee (Determination of Rates and Collection) Rules, 2008, allowing for the collection of toll fees based on distance travelled by the vehicle on the National Highways to facilitate the

introduction of a GPS-based system of tolling and removal of the toll plaza. But before such an implementation, a lot of work needs to be carried out to upgrade roads with technical infrastructure for a GPS-based system, which may indirectly affect the cash flow of Shrem InvIT in respect of its NH projects.

### c. Any other material changes during the year

During the year under review, Shrem InvIT has acquired equity shares of its 24 SPVs from three Holding Companies ('Holdcos') namely (i) Shrem Infraventure

Private Limited, (ii) Shrem Roadways Private Limited and (iii) Shrem Tollways Private Limited. Consequently, now Shrem InvIT has direct control of 24 SPVs.

## 2. Borrowings & Repayment of Borrowings

### Standalone

(Rs. in Lakhs)

Particulars	Opening Balance	Received during the year	Repaid during the year	Closing Balance
Secured Loan	3,20,606.28	3,17,895	28,550.33	6,09,950.95

### Consolidated

(Rs. in Lakhs)

Particulars	Opening Balance	Received during the year	Repaid during the year	Closing Balance
Secured Loan	3,20,606.28	3,17,895	28,550.33	6,09,950.95
Unsecured Loan	1,419	-	1,419	-

## 3. Debt Maturity Profile

Sr. No.	Financial Year	Amount (Rs in Lakhs)
1	FY 2023-24	35,914.00
2	FY 2024-25	51,236.00
3	FY 2025-26	57,983.00
4	FY 2026-27	54,095.00
5	FY 2027-28	45,155.00
6	FY 2028-29	39,490.00
7	FY 2029-30	39,165.00
8	FY 2030-31	43,842.00
9	FY 2031-32	43,288.00
10	FY 2032-33	44,154.00
11	FY 2033-34	51,220.00
12	FY 2034-35	55,991.00
13	FY 2035-36	35,244.00
14	FY 2036-37	13,173.95
	<b>Total Outstanding</b>	<b>6,09,950.95</b>

## 4. Brief Details of Material and Price Sensitive Information

In accordance with the InvIT Regulations, the Trust has been providing details of material and price sensitive information to the stock exchange from time to time.

## 5. Details Of Material Litigations

### I. Litigation involving the Trust

There is no litigation involving the Trust.

### II. Litigation involving the Sponsor

There is no litigation involving the Sponsor.

### III. Litigation involving the Investment Manager

There is no litigation involving the Investment Manager.

### IV. Litigation involving the Project Manager

There is no litigation involving the Project Manager.

### V. Litigation involving the Associates of the Sponsor, Investment Manager and Project Manager, including the Common Associates of the Sponsor, the Investment Manager and the Project Manager

- i. Vrushali Vilas Dagade ("Complainant") has filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others ("Respondent"), for Rs. 1,98,000/-, pursuant to section 138 of the Negotiable Instruments Act, 1881. The Respondents had entered into an agreement for the purchase of a land parcel for a project near Pune. The complainant was required to comply with some obligations and payment of balance consideration had to be made thereupon. Post-dated cheques were given in good faith. The Complainants wrongfully deposited the cheques and filed proceedings under sec 138 r/w 141 of Negotiable Instruments Act, 1881. The matter was being heard by the court and the Hon'ble Court had directed the Respondents to deposit the amount claimed along with the interest. The Respondents made full payment on 24<sup>th</sup> February, 2023 by the issuance of Demand Draft as per the Order of the Hon'ble Court. Now, the matter is pending for the final order for the disposal of matter.
- ii. Vilas Shankar Dagade ("Complainant") filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others ("Respondent"), for Rs. 1,36,62,000/-, pursuant to section 138 of the Negotiable Instruments Act, 1881. The Respondents had entered into an agreement for the purchase of a land parcel for a project near Pune. The complainant was required to comply with some obligations and payment of balance consideration had to be made thereupon. Post-dated cheques were given in good faith. The Complainants wrongfully deposited the cheques and filed proceedings under sec 138 r/w 141 of Negotiable Instruments Act, 1881. The matter was being heard by the court and the Hon'ble Court had directed the Respondents to deposit the amount claimed along with the interest. The Respondents made full payment on 24<sup>th</sup> February, 2023 by the issuance of Demand Draft as per the Order of the Hon'ble Court. Now, the matter is pending for the final order for the disposal of matter.
- iii. Vilas Shankar Dagade ("Complainant") filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others ("Respondent"), for Rs. 84,15,000/-, pursuant to section 138 of the Negotiable Instruments Act, 1881. The Respondents had entered into an agreement the purchase of a land parcel for a project near Pune. The Complainant was required to comply with some obligations and payment of balance consideration had to be made thereupon. Post-dated cheques were given in good faith. The Complainants wrongfully deposited the cheques and filed proceedings under sec 138 r/w 141 of Negotiable Instruments Act, 1881. The matter was being heard by the court and the Hon'ble Court had directed the Respondents to deposit the amount claimed along with the interest. The Respondents made full payment on 24<sup>th</sup> February, 2023 by the issuance of Demand Draft as per the Order of the Hon'ble Court. Now, the matter is pending for the final order for the disposal of matter.
- iv. Sunita Shankar Dagade ("Complainant") filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others ("Respondent"), for Rs. 12,87,000/-, pursuant to section 138 of the Negotiable Instruments Act, 1881. The Respondents had entered into an agreement for the purchase of a land parcel for a project near Pune. The Complainant was required to comply with some obligations and payment of balance consideration had to be made thereupon. Post-dated cheques were given in good faith. The Complainants wrongfully deposited the cheques and filed proceedings under sec 138 r/w 141 of Negotiable Instruments Act, 1881. The matter was being heard by the court and the Hon'ble Court had directed the Respondents to deposit the amount claimed along with the interest. The Respondents made full payment on 24<sup>th</sup> February, 2023 by the issuance of Demand Draft as per the Order of the Hon'ble Court. Now, the matter is pending for the final order for the disposal of matter.
- v. Dhanashri Dagade ("Complainant") filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others ("Respondent"), for Rs. 1,98,000/-, pursuant to section 138 of the Negotiable Instruments Act, 1881. The Respondents had entered into an agreement

for the purchase of a land parcel for a project near Pune. The Complainant was required to comply with some obligations and payment of balance consideration had to be made thereupon. Post-dated cheques were given in good faith. The Complainants wrongfully deposited the cheques and filed proceedings under sec 138 r/w 141 of Negotiable Instruments Act, 1881. The matter was being heard by the court and the Hon'ble Court had directed the Respondents to deposit the amount claimed along with the interest. The Respondents made full payment on 24<sup>th</sup> February, 2023 by the issuance of Demand Draft as per the Order of the Hon'ble Court. Now, the matter is pending for the final order for the disposal of matter.

- vi. Vilas Shankar Dagade ("Complainant") filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others ("Respondent"), for Rs. 2,47,50,000/-, pursuant to section 138 of the Negotiable Instruments Act, 1881. The Respondents had entered into an agreement for the purchase of a land parcel for a project near Pune. The Complainant was required to comply with some obligations and payment of balance consideration had to be made thereupon. Post-dated cheques were given in good faith. The Complainant wrongfully deposited the cheques and filed proceedings under sec 138 r/w 141 of Negotiable Instruments Act, 1881. The matter was being heard by the court and the Hon'ble Court had directed the Respondents to deposit the amount claimed along with the interest. As per Order of
- Hon'ble court, the Respondents made full payment on 24<sup>th</sup> February, 2023 by issuance of Demand Draft after deducting the advance of Rs. 50 lakh paid to the Complainant along with Pro-rata Interest but the same was not being accepted by the Complainant. He has challenged the Order pursuant to which, amount paid in the District and Session Court, Pune. The matter is pending.
- vii. Ganesh Bandal and others ("Complainant") filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others ("Respondent"). The Respondent has purchased land from the Bandal family i.e the complainant. The said land is now under dispute between the Bandal family. The matter is being heard and is currently pending.
- viii. The Authorities under the Benami Transactions (Prohibition) Act, 1988 ("Authorities") have filed a petition against Pravin Kumar Ostwal and Nitán Chhatwal ("Respondents") for a property related matter. The Respondents have approached the Appellate Tribunal for quashing the petition. The matter is currently pending.
- ix. Milan Ratilal Dodhia ("Petitioner") has filed a petition against Nitán Chhatwal, Smita Chhatwal and Hitesh Chhatwal ("Respondents") before the Metropolitan Magistrates Court, Vikhroli. The Respondents have approached the Magistrate Court for quashing the aforementioned petition on the ground that the matter has been wrongly filed against them. The matter is currently pending.

## 6. Details Of Change Pertaining To Directors

### Trustee

There is no change in the Board of Directors of the Trustee during the year under review. The details of the Board of Directors of the Trustee as of March 31, 2023, is as follows:

Sr. No.	Name of Director	DIN	Date of appointment
1	Ms. Deepa Rath	09163254	May 1, 2021
2	Mr. Rajesh Kumar Dahiya	07508488	July 11, 2018
3	Mr. Ganesh Sankaran	07580955	April 18, 2019

Ms. Deepa Rath is the Managing Director & CEO w.e.f. May 1, 2021.

### Sponsor

There is no change in the Board of Directors of the Sponsor during the year under review. The details of the Board of Directors of Sponsor as of March 31, 2023, is as follows:

Sr. No.	Name of Director	DIN	Date of appointment
1	Mr. Nitán Chhatwal	00115575	June 1, 2019
2	Mr. Smita Nitán Chhatwal	00116943	June 1, 2019
3	Ms. Krishani Nitán Chhatwal	02919669	February 23, 2017
4	Mr. Shyam Sunder Malani	03182609	March 21, 2014

## 7. Details of Related Party Transactions

A summary of the Related party transactions during the year under review, value of which exceeds 5% of the value of InvIT (Assets)

Sr. No.	Transaction	Party Involved	Amt in Lakhs
1	Interest Income on NCDs	Jalpa Devi Tollways Limited	6,168.63
		DBL Lucknow Sultanpur Highways Limited	8,053.16
2	Issue of Unit Capital	Shrem Enterprises Private Limited (formerly known as ShremOffshore Wind Private Limited)	83,723.73
3	Loan Given to related parties	DBL Chandikhole Bhadrak Highways Limited	8,550.00
4	Investment Made in Equity	DBL Hassan Periyapatna Tollways Limited	9,057.00
		DBL Jaora-Sailana Tollways Limited	6,186.00
		DBL Mundargi Harapanahalli Tollways Private Limited	6,113.00
		DBL Nadiad Modasa Tollways Private Limited	8,711.00
		DBL Patan Rehli Tollways Limited	9,414.00
		DBL Uchera - Nagod Tollways Limited	7,446.00
		Jalpa Devi Tollways Limited	1,37,709.00
		DBL Kalmath Zarap Highways Limited	10,336.00
		DBL Yavatmal Wardha Highways Private Limited	19,110.00
		DBL Mahagaon Yavatmal Highways Private Limited	21,594.00
		DBL Wardha Butibori Highways Private Limited	20,704.00
		DBL Lucknow Sultanpur Highways Limited	30,069.00
		DBL Tuljapur Ausa Highways Limited	16,206.00
		DBL Anandapuram Anakapalli Highways Private Ltd.	11,465.90
5	Investment Made in NCD's	DBL Sangli Borgaon Highways Limited	9,049.16
		DBL Byrapura Challakere Highways Private Limited	9,072.44
		DBL Bangalore Nidagatta Highways Private Limited	8,149.68
		DBL Anandapuram Anakapalli Highways Private Ltd.	82,717.00
		DBL Sangli Borgaon Highways Limited	49,221.00
		DBL Bellary Byrapura Highways Private Limited	41,237.00
6	Redemption of Investment in NCD's	DBL Gorhar Khairatunda Highways Private Limited	35,931.00
		DBL Byrapura Challakere Highways Private Limited	20,589.53
		DBL Chandikhole Bhadrak Highways Limited	62,349.00
		DBL Bangalore Nidagatta Highways Private Limited	99,455.00
		DBL Rewa Sidhi Highways Private Limited	45,147.00
		DBL Anandapuram Anakapalli Highways Private Ltd.	8,040.00
		DBL Lucknow Sultanpur Highways Limited	8,274.00
7	Return of Unit Capital	DBL Mahagaon Yavatmal Highways Private Limited	6,083.00
		DBL Wardha Butibori Highways Private Limited	7,706.00
		Shrem Infrastructure Pvt Ltd	24,284.90
8	Interest to unit holders	Shrem Infrastructure Pvt Ltd	6,222.92

## 8. Details Regarding the Monies Lent by the InvIT to the Holding Company or the Special Purpose Vehicle in which it has Investment in

Sr. No.	Name the Special Purpose Vehicle	Outstanding as on 31.03.2023 (Amount in lakhs)
1.	DBL Ashoknagar-Vidisha Tollways Private Limited	2,102.00
2.	DBL Bankhlfata-Dogawa Tollways Limited	2,627.00
3.	DBL Betul Sarni Tollways Limited	15,940.80
4.	DBL Hassan Periyapatna Tollways Limited	3,154.00
5.	DBL Hata Dargawon Tollways Limited	4,372.00
6.	DBL Hirekerur Ranibennur Tollways Private Limited	2,590.93
7.	DBL Jaora Sailana Tollways Limited	2,198.00
8.	DBL Kalmath Zarap Highways Limited	19,460.00
9.	DBL Lucknow Sultanpur Highways Limited	58,325.00
10.	DBL Mahagaon Yavatmal Highways Private Limited	18,052.00
11.	DBL Mundargi Harapanahalli Tollways Private Limited	1,157.00
12.	DBL Mundi Sanawad Tollways Limited	3,008.00
13.	DBL Nadiad Modasa Tollways Private Limited	1,455.00
14.	DBL Patan Rehli Tollways Limited	11,365.70
15.	DBL Sardarpur Badnawar Tollways Limited	3,673.00
16.	DBL Silwani Sultanganj Tollways Limited	1,272.92
17.	DBL Sitamau Suwasara Tollways Limited	637.00
18.	DBL Tikamgarh Nowgaon Tollways Limited	2,872.00
19.	DBL Tuljapur Ausa Highways Limited	10,886.00
20.	DBL Uchera Nagod Tollways Limited	1,000.00
21.	DBL Wardha Butibori Highways Private Limited	10,517.00
22.	DBL Yavatmal Wardha Highways Private Limited	13,242.00
23.	DBL Sangli Borgaon Highways Limited	47,251.00
24.	DBL Bellary Byrapura Highways Private Limited	37,894.00
25.	DBL Gorhar Khairatunda Highways Private Limited	33,701.00
26.	DBL Anandapuram Anakapalli Highways Private Limited	78,492.00
27.	Jalpa Devi Tollways Limited	40,795.00
28.	DBL Byrapura Challakere Highways Private Limited	20,589.53
29.	DBL Bangalore Nidagatta Highways Private Limited	99,455.66
30.	DBL Chandikhole Bhadrak Highways Limited	65,699.00
31.	DBL Rewa Sidhi Highways Private Limited	45,147.33

## 9. Details of Issue of Units During the Year

During the year under review Shrem InvIT has issued 16,56,54,717 units on a preferential basis to Dilip Buildcon Limited, DBL Infra Assets Private Limited and Shrem Enterprises Private Limited cumulatively. Details are mentioned in the table below:

Sr. No.	Date of allotment	Name of allottees	Number of Units allotted
1	12.11.2022	Dilip Buildcon Limited	2,07,20,184
		DBL Infra Assets Private Limited	48,28,702
2	19.12.2022	Shrem Enterprises Private Limited (formerly known as Shrem Offshore Wind Private Limited)	6,07,29,851
3	30.03.2023	Dilip Buildcon Limited	3,06,01,710
		DBL Infra Assets Private Limited	2,75,72,440
		Shrem Enterprises Private Limited (formerly known as Shrem Offshore Wind Private Limited)	2,12,01,830

## General Disclosures

Except as stated otherwise in this report and in any other public disclosures, during the period under review,

- There are no changes in the clauses of trust deed, investment management or any other agreement pertaining to activates of InvIT.
- There are no regulatory changes that had impacted or may impact cash flows of the underlying projects.
- There are no changes in material contracts or any new risk in performance of any contract pertaining to the Trust.
- There was no legal proceeding which may have significant bearing of the activities or revenues or cash flows of the trust.
- In accordance with the InvIT Regulations, the Trust has from time to time provided details of material and price sensitive information to the stock exchanges.
- There has been no change in Sponsor, Investment Manager, Trustee, valuer of the InvIT and directors of Trustee, Investment Manager and Sponsor, etc.
- The Trust has not bought back any units during the period under review.
- The details of the resolution passed during the year by conducting General Meeting and postal ballots are available on website of Shrem InvIT and NSE.



# FINANCIAL STATEMENTS

## STANDALONE

### Independent Auditor's Report on Standalone Financial Statements

To,  
The Unit holders of Shrem InvIT  
Report on the Audit of Standalone Financial Statements

#### 1. Opinion

We have audited the accompanying standalone financial statements of Shrem InvIT ("the InvIT"), which comprises of Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Unit holder's Equity and the Statement of Cash Flow for the year ended and the Statement of Net Assets at fair value as at March 31, 2023, the Statement of Total Returns at fair value, the statement of Net Distributable Cash Flows(NDCF's) of the InvIT for the year ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (the "InvIT Regulation") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015 and other accounting principles generally accepted in India, of the state of affairs of the InvIT as at March 31, 2023, its profit and total comprehensive income, its statement of changes in unit holder's equity, its cash flows for

the year ended March 31, 2023, its net assets at fair value as at March 31, 2023, its total returns at fair value and Net Distributable Cash Flows of the InvIT for the year ended March 31, 2023.

#### 2. Basis for Opinion

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

#### 3. 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 for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors Response
1	<p><b>Assessing Impairment of investments and loans to subsidiary companies</b></p> <p>As at March 31, 2023 carrying values of InvIT's investment in subsidiaries amounted to Rs. 377,601.80 Lakhs and loans and advances is Rs. 23,016.34 lakhs</p> <p>Management reviews regularly whether there are any indicators of impairment of such investments/loans by reference to the requirements under Ind AS. Management performs its impairment assessment by comparing the carrying value of these investments/loans made to their recoverable amount to determine whether impairment needs to be recognized.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>- Assessed the appropriateness of the Trust's Valuation Methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process;</li> <li>- We obtained and read the valuation report of the InvIT's independent valuation expert and assessed the expert's competence, capability and objectivity. We tested completeness, arithmetical accuracy and validity of the data used in the calculations.</li> </ul>

Sr. No.	Key Audit Matter	Auditors Response
	<p>The Assessment of Impairment loss involves management estimates and judgments includes future cash flows from the operations of the subsidiaries, discounting rate, operating expenses which are considered in assessing whether a diminution in the value of investments/recoverability of loans is other than temporary in nature.</p> <p>Considering the judgment involved in determination of the fair values due to inherent uncertainty and complexity of the assumption used in determination of fair values, this is considered as key audit matter.</p> <p>Refer note 2.3.4 for the accounting policy on impairment of investment &amp; note 3 for investment as at March 31, 2023.</p>	<ul style="list-style-type: none"> <li>- We have further assessed assumption around key drivers of revenue projections, future cash flow, discount rate, weighted average cost of capital (WACC) that were used by expert in determining recoverable amount including consideration due to current economic and market condition.</li> <li>- As regard loans granted to subsidiary companies, we have obtained and considered management evaluations of recoverability of loans granted to its subsidiary companies.</li> </ul>
2	<p><b>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of NetAssets and Total Returns at Fair Value</b></p> <p>As per the provisions of InvIT Regulations, the Trust is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as WACC, Tax rates, Inflation rates etc.</p> <p>Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the standalone financial statements.</p>	<p><b>Our audit procedures include the following-</b></p> <ul style="list-style-type: none"> <li>- Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.</li> <li>- Assessed the appropriateness of independent valuer's and management's valuation methodology applied in determining the fair values.</li> <li>- Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation.</li> <li>- We have relied on the valuation report issued by the independent valuer appointed by the Investment Manager in accordance with SEBI InvIT Regulations.</li> </ul>
3	<p><b>Related Party transactions and Disclosures</b></p> <p>The InvIT has undertaken transactions with its related parties in the normal course of business. These include giving loans to SPVs, interest on such loans, investment in the financial instruments of the SPV's and interest thereon, reimbursement of expenses incurred on behalf of such SPVs.</p> <p>We have identified the accuracy and completeness of related party transactions and its disclosure as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2023 and regulatory compliance thereon.</p>	<p><b>Our audit procedures include the following</b></p> <ul style="list-style-type: none"> <li>- Obtained, read and assessed the InvIT's Policies, processes and procedures in respect of identifying related parties, obtaining necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with InvIT regulations.</li> <li>- Verified on sample basis the related party transactions with the underlying contracts and other supporting documents for appropriate approval of such transactions.</li> <li>- Reviewed minutes of Board of Directors and relevant committee meetings in connection with transactions with related parties effected during the year by the Trust.</li> </ul>

#### 4. Information other than standalone financial statements and Auditor's report thereon

The Board of Directors of Shrem Financial Private Limited ('Investment Manager') is responsible for the other information. The other information comprises the information included in the Annual

Report of the investment manager including the annexure to the investment manager report and other information required to be given by SEBI InvIT regulations, 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.

Our opinion on the standalone financial statements does not cover the other information and we 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 other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

### **5. Responsibilities of the Board of director of investment manager for the Standalone Financial Statements**

The Board of Directors of Shrem Financial Private Limited ('Investment Manager') is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position as at March 31, 2023, financial performance including other comprehensive income, movement of unit holder's equity and cash flows for the year ended March 31, 2023, and its total returns at fair value and net distributable cash flows of the InvIT for the year ended March 31, 2023 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the 'InvIT Regulations'). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions InvIT Regulations for safeguarding of the assets of the InvIT and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 of Directors of the investment manager is responsible for assessing the InvIT's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

the Board of Directors either intends to liquidate the InvIT or to cease operations, or has no realistic alternative but to do so.

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

### **6. Auditor's Responsibilities 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 Standards on auditing 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 Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) 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.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Trust 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.

- v) 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.

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

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

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

## 7. 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) In our opinion, proper books of accounts as required relating to preparation of the aforesaid standalone financial statements have been kept by the Trust so far as it appears from our examination of these books:
- c) The balance sheet, and statement of profit and loss including other comprehensive income, the Statement of Changes in Unit holder's Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account of the InvIT; and
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### For Mukund M. Chitale & Co. Chartered Accountants

Firm Registration No. 106655W

### S. M. Chitale Partner

M. No. 111383

UDIN: 22111383AKGZFT3438

Place: Mumbai

Date: 8<sup>th</sup> May, 2023

# Standalone Balance Sheet as at 31<sup>st</sup> March, 2023

(Rs.in Lakhs)

Particulars		Notes	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March 2022
<b>I</b>	<b>ASSETS</b>			
	<b>(1) Non-current assets</b>			
	(a) Property, plant and equipment		-	-
	(b) Financial assets			
	(i) Investments	3	10,19,052.96	6,60,311.54
	(ii) Trade receivables	4	-	-
	(iii) Loans		-	-
	(iv) Other financial Assets	8	17,800.44	7,869.00
	(c) Deferred tax assets		-	-
	(d) Other non-current asset		-	-
	<b>Total non-current assets</b>		<b>10,36,853.40</b>	<b>6,68,180.54</b>
	<b>(2) Current assets</b>			
	(a) Financial assets			
	(i) Investments	3	19,656.87	6,002.12
	(ii) Trade receivables	4	581.95	416.12
	(iii) Cash and cash equivalent	5	11,952.25	1,414.95
	(iv) Bank balance other than (iii) above	6	301.12	6,000.00
	(v) Loans	7	23,016.34	16,608.93
	(vi) Other financial Assets	8	16,188.96	5,221.87
	(b) Current tax asset (Net)		147.81	70.81
	(c) Other current assets	9	179.51	9.12
	<b>Total current assets</b>		<b>72,024.81</b>	<b>35,743.92</b>
	<b>TOTAL ASSETS</b>		<b>11,08,878.21</b>	<b>7,03,924.46</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Unit Capital	10	5,06,276.12	3,76,682.96
	(b) Other equity	11	(7,242.39)	7,847.43
	<b>Total Equity</b>		<b>4,99,033.73</b>	<b>3,84,530.39</b>
	<b>Liabilities</b>			
	<b>(1) Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	12	5,69,536.01	2,93,982.68
	(ii) Trade payable			
	total outstanding dues of micro and small enterprises		-	-
	total outstanding dues of creditors other than micro and small enterprises		-	-
	(iii) Other financial liabilities		-	-
	(b) Provisions		-	-
	(c) Other financial liabilities	13	-	-
	(d) Deferred tax liabilities (net)		-	-
	(e) Other non-current liabilities		-	-
	<b>Total non-current liabilities</b>		<b>5,69,536.01</b>	<b>2,93,982.68</b>

(Rs.in Lakhs)

Particulars		Notes	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March 2022
<b>(2) Current liabilities</b>				
(a)	Financial liabilities			
(i)	Borrowings	12	38,635.00	25,392.00
(ii)	Trade payable	14		
(a)	total outstanding dues of micro enterprises and small enterprises;		-	-
(b)	total outstanding dues of creditors other than micro enterprises and small enterprises;		255.55	3.32
(iii)	Other financial liabilities	13	1,300.00	-
(b)	Other current liabilities	15	112.88	8.33
(c)	Provisions	16	5.04	7.74
(d)	Current tax liability		-	-
<b>Total current liabilities</b>			<b>40,308.47</b>	<b>25,411.39</b>
<b>TOTAL LIABILITIES</b>			<b>6,09,844.48</b>	<b>3,19,394.07</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>11,08,878.21</b>	<b>7,03,924.46</b>

The notes on accounts forms an intergral part of financial statements

**1 to 37**

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**

Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**

(As Investment Manager of Shrem InvIT)

**(S M Chitale)**  
**(Partner)**

M. No. 111383

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Nitan Chhatwal**  
**Director**

DIN : 00115575

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Nikhil Pareek**  
**Director**

DIN : 07083015

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Ilaa Udeshi**  
**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

# Standalone Statement of Profit And Loss for the year ended 31<sup>st</sup> March, 2023

(Rs.in Lakhs)

Particulars		Notes	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
	<b>Income</b>			
(I)	Revenue from Operations	17	57,668.33	33,597.23
(II)	Other income	18	6,290.30	5,924.98
<b>(III)</b>	<b>Total Income (I+II)</b>		<b>63,958.63</b>	<b>39,522.21</b>
	<b>Expenses</b>			
(IV)	Investment Manager Fees		1,247.90	627.33
	Finance costs	19	27,619.10	12,652.87
	Impairment in value of investments (Refer note 34)		32,701.65	-
	Other expenses	20	1,373.08	2,683.82
	<b>Total expenses (IV)</b>		<b>62,941.73</b>	<b>15,964.02</b>
(V)	Profit/(loss) before exceptional items and tax (III-IV)		1,016.90	23,558.19
(VI)	Exceptional items		-	-
<b>(VII)</b>	<b>Profit / (loss) before tax (V) - (VI)</b>		<b>1,016.90</b>	<b>23,558.19</b>
<b>(VIII)</b>	<b>Tax expenses</b>			
(1)	Current tax		-	-
(2)	Deferred tax (credit)/charge		-	-
<b>(IX)</b>	<b>Profit / (Loss) for the year from continuing operations (VII - VIII)</b>		<b>1,016.90</b>	<b>23,558.19</b>
(X)	Profit/(loss) from discontinued operations		-	-
(XI)	Tax expenses of discontinued operations		-	-
(XII)	Profit/(loss) from discontinued operations (after tax) (X- XI)		-	-
<b>(XIII)</b>	<b>Profit/(loss) for the year VI= (IX+XII)</b>		<b>1,016.90</b>	<b>23,558.19</b>
<b>(XIV)</b>	<b>Other Comprehensive Income</b>			
(i)	Items that will not be reclassified to profit or loss		-	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii)	Items that will be reclassified to profit or loss		-	-
(iv)	Income tax relating to items that will be reclassified to profit or loss		-	-
<b>(XV)</b>	<b>Total Comprehensive Income for the year (XIII+XIV)</b>		<b>1,016.90</b>	<b>23,558.19</b>
<b>(XVI)</b>	<b>Earnings per unit</b>			
(1)	Basic ( in Rs)	21	0.23	6.03
(2)	Diluted ( in Rs)	21	0.23	6.03

The notes on accounts forms an integral part of financial statements **1 to 37**

As per our Report of even date

**For Mukund M. Chitale & Co.**  
Chartered Accountants  
Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**  
(As Investment Manager of Shrem InvIT)

**(S M Chitale)**  
**(Partner)**  
M. No. 111383

**Nitan Chhatwal**  
**Director**  
DIN : 00115575

**Nikhil Pareek**  
**Director**  
DIN : 07083015

**Ilaa Udeshi**  
**Company Secretary**

Place : Mumbai  
Date : 8<sup>th</sup> May, 2023

# Statement Of Cashflow for the year ended 31<sup>st</sup> March, 2023

(Rs.in Lakhs)

Particulars		Year ended 31 <sup>st</sup> March, 2022	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	<b>Net Profit / (loss) before tax as per Statement of Profit &amp; Loss</b>	1,016.90	23,558.19
	<b>Adjusted for:</b>		
	Depreciation	-	-
	Interest on Fixed Deposits/Gov Sec and Bonds	3,960.14	1,061.69
	Finance Cost	27,619.10	12,652.87
	<b>Operating Profit / (loss) before Working Capital Changes</b>	<b>32,596.14</b>	<b>37,272.75</b>
	<b>Adjusted for:</b>		
	(Increase)/Decrease in Trade receivables	(165.84)	(416.12)
	(Increase)/Decrease in Other current assets	5,528.49	(6,009.12)
	(Increase)/Decrease in Current Tax Assets	(77.00)	(70.81)
	(Increase)/Decrease in Financials Assets	(10,967.09)	(5,221.87)
	Increase/(Decrease) in Trade payable	252.23	(316.13)
	Increase/(Decrease) in Provisions	(2.70)	7.74
	Increase/(Decrease) in Other Current liabilities	104.55	(8.58)
	Increase/(Decrease) in Other financial liabilities	1,300.00	
	<b>Net cash from Operating Activities before Income Tax</b>	<b>28,568.78</b>	<b>25,237.86</b>
	Income tax paid	-	-
	<b>Net Cash from Operating Activities</b>	<b>28,568.78</b>	<b>25,237.86</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Purchase of Fixed Asstes	-	-
	Purchase of Investments	(3,72,396.15)	(6,66,313.66)
	Investment in DSRA FD	(9,931.44)	(7,869.00)
	Interest Income	(3,960.14)	(1,061.69)
		<b>(3,86,287.73)</b>	<b>(6,75,244.35)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Unit Issued	1,70,515.64	3,90,470.00
	Proceeds from Borrowings	2,88,796.33	3,19,374.67
	Loan Given	-	-
	Preceeds/repaid from Loan Given	(6,407.42)	(16,608.42)
	Loan Repaid	-	-
	Repayment of Borrowings	-	-
	Return of unit Capital	(40,922.48)	(13,787.04)
	Payment of Distribution to unitholders	(16,106.72)	(15,375.14)
	Finance Cost	(27,619.10)	(12,652.87)
	<b>Net Cash from / (used in) Financing Activities</b>	<b>3,68,256.25</b>	<b>6,51,421.20</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>10,537.30</b>	<b>1,414.71</b>
	<b>Opening Balance of Cash and Cash Equivalents</b>	<b>1,414.95</b>	<b>0.25</b>
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>11,952.25</b>	<b>1,414.95</b>

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.

2. **Cash and cash equivalents as at the Balance Sheet date consists of:**

Particulars	(Rs.in Lakhs)	
	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Cash on hand	-	-
Balances with banks:		
In current accounts	11,952.25	1,414.95
	<b>11,952.25</b>	<b>1,414.95</b>

3 **Reconciliation Between opening and closing balances for liabilities arising from financing activities (including current maturities):-**

Particulars	(Rs.in Lakhs)	
	Long term Borrowing	
<b>Balance as on 31<sup>st</sup> March 2021</b>	-	
Cash flow		
Interest	(12,549.01)	
net of Proceed and repayment	3,20,607.00	
Accrual	12,548.30	
<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>3,20,606.29</b>	
Cash flow		
Interest	(27,910.73)	
net of Proceed and repayment	2,67,290.52	
Accrual	49,964.87	
<b>Balance as on 31<sup>st</sup> March 2023</b>	<b>6,09,950.95</b>	

The notes on accounts forms an intergral part of financial statements

**1 to 37**

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**  
(As Investment Manager of Shrem InvIT)

**(S M Chitale)**  
**(Partner)**

M. No. 111383

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Nitan Chhatwal**  
**Director**

DIN : 00115575

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Nikhil Pareek**  
**Director**

DIN : 07083015

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Ilaa Udeshi**  
**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

## Standalone Statement of Changes in Unit holders Equity for the year ended 31<sup>st</sup> March, 2023

### a. Unit Capital

Particulars	No of Units	(Rs.in Lakhs)
		Amount
Balance as on 1 <sup>st</sup> April 2021	-	-
Issue of Capital (Refer Note 10)	3,904.70	3,90,470.00
Return of unit Capital * (Refer note 27)	-	(13,787.04)
<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>3,904.70</b>	<b>3,76,682.96</b>
Balance as on 1 <sup>st</sup> April 2022	3,904.70	3,76,682.96
Issue of Capital (Refer Note 10)	1,656.55	1,70,515.64
Return of unit Capital * (Refer note 27)	-	(40,922.48)
<b>Balance as on 31<sup>st</sup> March 2023</b>	<b>5,561.25</b>	<b>5,06,276.12</b>

\*During the year company has distributed return of capital Rs.9.912 per unit (F.Y.2021-22 Rs.3.531 per unit distributed as return of capital which does not includes distribution for the last quarter as same paid in May 2022). Distribution in respect of return of capital for the F.Y.2022-23 does not includes distribution declared for the period 1<sup>st</sup> January 2023 to 31<sup>st</sup> March 2023.

### b. Other equity

Particulars	Reserves and Surplus	Total
	Retained Earnings	
<b>As at 31<sup>st</sup> March, 2023</b>		
Balance at the beginning of the current year	7,847.43	7,847.43
Total comprehensive income	1,016.90	1,016.90
Distributions made to the unit holder during the year * (Refer note 27)	(16,106.72)	(16,106.72)
<b>Balance as on 31<sup>st</sup> March, 2023</b>	<b>(7,242.39)</b>	<b>(7,242.38)</b>
<b>As at 31<sup>st</sup> March, 2022</b>		
Balance at the beginning of the current year	(335.62)	(335.62)
Total comprehensive income	23,558.19	23,558.19
Distribution made to the unit holder during the year * (Refer note 27)	(15,375.14)	(15,375.14)
<b>Balance as on 31<sup>st</sup> March, 2022</b>	<b>7,847.43</b>	<b>7,847.43</b>

\* The distribution by the trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT regulations.

The distribution relates to distributions made during the year towards Interest and Dividend along with the distribution related to the last quarter of F.Y.2021-22 and does not include the distribution relating to the period January 01, 2023 to March 31,2023 which will be paid after March 31, 2023.

The notes on accounts forms an intergral part of financial statements

**1 to 37**

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**  
(As Investment Manager of Shrem InvIT)

**(S M Chitale)**

**(Partner)**

M. No. 111383

**Nitan Chhatwal**

**Director**

DIN : 00115575

**Nikhil Pareek**

**Director**

DIN : 07083015

**Ilaa Udeshi**

**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**SHREM INVIT**  
**SEBI Registration Number IN /InvIT/20-21/ 0017**  
**Disclosures Pursuant to SEBI Circulars**

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

**a. Statement of Net Asset at Fair Value**

( Rs in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	Book Value	Fair Value	Book Value	Fair Value
<b>A. Assets</b>	11,08,878.21	12,01,279.11	7,03,924.46	7,16,245.04
<b>B. Liabilities ( At Book Value)</b>	6,09,844.48	6,11,624.42	3,19,394.07	3,19,394.07
<b>C. Net Assets ( A-B)</b>	4,99,033.73	5,89,654.69	3,84,530.39	3,96,850.97
<b>D. Number of Units ( In Lacs)</b>	5,561.25	5,561.25	3,904.70	3,904.70
<b>E. NAV (C/D) ( Amount in Rs)</b>	89.73	106.03	98.48	101.63

**B. Statement of Total Returns at Fair Value**

( Rs in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Total Comprehensive Income (As per the Statement of Profit and Loss)</b>	1,016.90	23,558.19
<b>Add/(less): Other Changes in Fair Value</b>	90,620.96	12,320.58
<b>Comprehensive Income</b>	91,637.86	35,878.77

**Note:**

- Fair value of assets as at March 31, 2023 and as at March 31, 2022 and other changes in fair value 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 Regulation 21 of the InvIT Regulations.

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
 Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**  
 (As Investment Manager of Shrem InvIT)

**(S M Chitale)**  
**(Partner)**  
 M. No. 111383

**Nitan Chhatwal**  
**Director**  
 DIN : 00115575

**Nikhil Pareek**  
**Director**  
 DIN : 07083015

**Ilaa Udeshi**  
**Company Secretary**

Place : Mumbai  
 Date : 8<sup>th</sup> May, 2023

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023****1) Trust Information and nature of Operations**

Shrem InvIT incorporated as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882 on December 31, 2020 and registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 on February 04, 2021 having registration number IN/InvIT/20-21/0017.

The Fund is settled by the Sponsor, Shrem Infra Structure Private Limited (the "Sponsor"), an infrastructure development company in India. The Trustee to the Fund is Axis Trustee Services Limited (the "Trustee"). Investment manager for the Fund is Shrem Financial Private Limited (the "Investment Manager").

The Fund has been formed to invest in infrastructure assets primarily being in the road sector in India. All of the Fund's road projects are implemented and held through holding Companies and special purpose vehicles as listed.

As at March 31, 2023, the trust has following project entities ("Special Purpose Vehicles or SPVs") namely,

- 1) Shrem Infraventure Private Limited (Subsidiary Company)
- 2) Shrem Roadways Private Limited (Subsidiary Company)
- 3) Shrem Tollways Private Limited (Subsidiary Company)
- 4) Suryavanshi Infrastructure Private Limited (Subsidiary Company)
- 5) DBL Nadiad Modasa Tollways Limited (Subsidiary Company)
- 6) DBL Jaora-Sailana Tollways Limited (Subsidiary Company)
- 7) DBL Bankhlafata-Dogawa Tollways Limited (Subsidiary Company)
- 8) DBL Mundargi Harapanahalli Tollways Limited (Subsidiary Company)
- 9) DBL Hassan- Periyapatna Tollways Limited (Subsidiary Company)
- 10) DBL Hirekerur Ranibennur Tollways Limited (Subsidiary Company)
- 11) DBL Sardarpur Badnawar Tollways Limited (subsidiary Company)
- 12) DBL Silwani - Sultanganj Tollways Limited (subsidiary Company)
- 13) DBL Mundi sanawad Tollways Limited (Subsidiary Company)
- 14) DBL Sitamau- Suwasara Tollways Limited (Subsidiary Company)
- 15) DBL Uchera-Nagod Tollways Limited (Subsidiary Company)
- 16) DBL Ashoknagar-Vidisha Tollways Private Limited (Subsidiary Company)
- 17) DBL Betul-Sarni Tollways Limited (Subsidiary Company)
- 18) DBL Tikamgarh- Nowgaon Tollways Limited (Subsidiary Company)
- 19) DBL Hata dargawon Tollways Limited (Subsidiary Company)
- 20) DBL Patan rehli Tollways Limited (Subsidiary Company)
- 21) DBL Luknow Sultanpur Highways Limited (Subsidiary Company)
- 22) DBL Kalmath Zarap Highways Limited (Subsidiary Company)
- 23) DBL Yavatmal Wardha Highways Private Limited (Subsidiary Company)
- 24) DBL Mahagaon Yavatmal Highways Private Limited (Subsidiary Company)
- 25) DBL Wardha Butibori Highways Private Limited (Subsidiary Company)
- 26) DBL Tuljapur Ausa Highways Limited (Subsidiary Company)
- 27) Jalpa Devi Tollways Limited (Subsidiary Company)
- 28) DBL Anandapuram Anapalli Highways Private Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 29) DBL Bellary Byrapura Highways Private Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 30) DBL Gorhar Khairtunda Highways Private Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 31) DBL Sangli Bargaon Highways Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 32) DBL Byrapura Challakere Highways Private Limited (Subsidiary Company on 31<sup>st</sup> March 2023)

- 33) DBL Rewa Sidhi Highways Private Limited (NHAI) (Associate on 31<sup>st</sup> March 2023)
- 34) DBL Bangalore Nidagatta Highways Private Limited (NHAI) (Associate on 31<sup>st</sup> March 2023)
- 35) DBL Chandikhole Bhadrak Highways Limited (NHAI) (Associate on 24<sup>th</sup> February 2023)

## 2) Significant Accounting Policy

### 2.1 Basis of Preparation of financials statement

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

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

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

### 2.2 Use of estimates and judgements:

The preparation of 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.

### 2.3 Summary of significant accounting policies

#### 1. Current Versus Non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Trust classifies all other liabilities as non-current.

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

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

## 2. Revenue Recognition

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

### Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rates applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

### Dividend Income

Dividends are recognised when the Trust's right to receive the payment is established, which is generally when shareholders approve the dividend.

### Other Income

Other Income - Fair value gains on current investments carried at fair value are included in other income.

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

## 3. Financial Instruments

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

### Financial Assets

#### Initial Recognition and measurement

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

#### Subsequent measurement

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

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

#### Financial Assets at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Fund. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The losses arising from impairment are recognised in the Statement of Profit and Loss.

#### Financial Assets at Fair Value through Statement of Profit and Loss / Other comprehensive income

All investments in scope of Ind AS 109 are measured at fair value. The Fund has investment in Debt oriented mutual fund which are held for trading, are classified as at FVTPL. The Fund makes such

election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The gain / loss on sale of investments are recognised in the Statement of Profit and Loss. Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a the Fund of similar financial assets) is primarily derecognised (i.e. removed from the Fund's balance sheet) when: The rights to receive cash flows from the asset have expired, or The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of the Fund's continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

## **4. Impairment of assets**

### **Impairment of financial assets**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Fund recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial assets increases significantly since its initial recognition. The impairment losses and reversals are recognized in Statement of Profit and Loss.

### **Impairment of non-financial assets**

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

### **Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Fund's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **Subsequent measurement**

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

#### **Financial liabilities at fair value through profit or loss**

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

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

**Loans and borrowings**

This is the category most relevant to the Fund. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**De-recognition**

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

**Offsetting of financial instruments**

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

**5. Cash and Cash Equivalent**

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

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

**6. Provisions and Contingencies**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not provided for and are disclosed by way of notes.

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

**7. Borrowing Cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**8. Cash Flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the trust are segregated.

## 9. Income Tax

### Current Tax

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

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Investment Manager periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The trust offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

## 10. 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:

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

The principal or the most advantageous market must be accessible by the trust. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers 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.

The trust uses valuation techniques 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.

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

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

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

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

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

#### 11. Investment in subsidiaries

Investments (equity instruments as well as subordinate debt) in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

#### 12. Distribution to unit holders

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

#### 13. Earning per unit

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

#### **Recent accounting developments:- Ind AS amendments which will be effective from 1<sup>st</sup> April 2023:**

##### **Recent Pronouncement:**

On 31<sup>st</sup> March 2023, Ministry of Corporate Affairs notified amendments to certain Ind AS. These amendments will be effective from April 1, 2023 and will not have material impact on Company's financial statements for the financial year 2022-23. The following is a summary of the amendments:

In Ind AS 101: - Relating to the exceptions to retrospective application of Ind AS on first time adoption

In Ind AS 102: - Relating to the fair value of the equity instruments not being possible to be estimated reliably

In Ind AS 103: - Relating to the date on which the transferee obtains control of the transferor.

In Ind AS 107: - Relating to disclosure of material accounting policy information about the measurement basis (or bases) for financial instruments used in preparing the financial statements.

In Ind AS 109: - Relating to a combination of entities or businesses under common control as described in Appendix C.

In Ind AS 115: - Relating to certain corrections.

In Ind AS 1: - Relating to the following:

Reference to the definition of 'Accounting Policies' contained in Ind AS 8

Requirement regarding disclosure of material accounting policy information instead of disclosures about significant accounting policies

Clarification about when an accounting policy information would be regarded as material

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

In Ind AS 8: - Relating to change in the definition of accounting estimates and further clarifications relating to the same.

In Ind AS 12: - Relating to exception to the recognition of deferred tax liability/ asset arising from a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

In Ind AS 34: - Relating to disclosure of material accounting policy information in interim financial statements.

**Note 3 : Investment****Investments measured at Amortised Cost****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of shares / NCD	Amount (in lakhs)	No of shares / NCD	Amount (in lakhs)
<b>[A] Non Current Investment</b>				
<b>[1] Investment at Cost</b>				
<b>[1] Investments in Equity Instruments</b>				
(a) <b><u>In Subsidiary Companies (Unquoted)</u></b>				
(i) Shrem Infraventure Private Limited	1,000.00	11.19	1,19,19,791.00	1,33,336.80
(ii) Shrem Roadways Private Limited	1,000.00	4.32	2,05,55,106.00	88,793.00
(iii) Shrem Tollway Private Limited	1,000.00	109.28	12,12,221.00	1,32,475.70
(iv) DBL Ashoknagar Vidisha Tollways Private Limited	1,99,60,000.00	1,897.00	-	-
(v) DBL Bankhlaftata Dogawa Tollways Limited	1,60,00,000.00	3,758.00	-	-
(vi) DBL Hassan Periyapatna Tollways Limited	87,227.00	9,057.00	-	-
(vii) DBL Hata Dargawon Tollways Limited	79,756.00	2,237.00	-	-
(viii) DBL Hirekerur Ranibennur Tollways Limited	1,19,834.00	5,466.00	-	-
(ix) DBL Jaora Sailana Tollways Limited	2,00,00,000.00	6,186.00	-	-
(x) DBL Mundargi Harapanahalli Tollways Limited	1,05,661.00	6,113.00	-	-
(xi) DBL Mundi Sanawad Tollways Limited	10,00,000.00	2,142.00	-	-
(xii) DBL Nadiad Modasa Tollways Limited	2,86,55,000.00	8,711.00	-	-
(xiii) DBL Patan Rehli Tollways Limited	1,01,035.00	9,414.00	-	-
(xiv) DBL Silwani Sultanganj Tollways Limited	10,00,000.00	4,623.00	-	-
(xv) DBL Sitamau Suwasara Tollways Limited	77,50,000.00	2,186.00	-	-
(xvi) DBL Tikamgarh Nowgaon Tollways Limited	8,48,462.00	5,108.00	-	-
(xvii) DBL Uchera Nagod Tollways Limited	3,20,00,000.00	7,446.00	-	-
(xviii) Jalpa Devi Tollways Limited	41,80,844.00	1,37,709.00	-	-
(xix) Suryavanshi Infrastructure Private Limited	86,600.00	1,680.00	-	-
(xx) DBL Betul Sarni Tollways Limited	16,60,800.00	4,151.00	-	-
(xxi) DBL Sardarpur Badnawar Tollways Limited	2,50,000.00	1,000.00	-	-
(xxii) DBL Anandapuram Anakapalli Highways Private Limited	3,99,800.00	11,465.90	-	-
(xxiii) DBL Bellary Byrapura Highways Private Limited	7,50,564.00	5,466.25	-	-
(xxiv) DBL Gorhar Khairatunda Highways Private Limited	7,08,149.00	4,517.34	-	-
(xxv) DBL Sangli Borgaon Highways Limited	1,60,923.00	9,049.16	-	-
(xxvi) DBL Kalmath Zaraph Highways Limited	50,000.00	10,336.00	-	-

(Rs.in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of shares / NCD	Amount (in lakhs)	No of shares / NCD	Amount (in lakhs)
(xxvii) DBL Lucknow Sultanpur Highways Limited	20,99,611.00	30,069.00	-	-
(xxviii) DBL Mahagaon Yavatmal Highways Private Limited	1,45,802.00	21,594.00	-	-
(xxvix) DBL Yavatmal Wardha Highways Private Limited	1,00,000.00	19,110.00	-	-
(xxx) DBL Wardha Butibori Highways Private Limited	2,05,237.00	20,704.00	-	-
(xxxix) DBL Tuljapur Ausa Highways Limited	1,43,691.00	16,206.00	-	-
(xxxix) DBL Byrapura Challakere Highways Private Limited	7,30,062.00	9,072.44	-	-
Less:- Impairment of Investment (Refer note 33)	-	(15,123.95)	-	-
<b>(b) In Associate Companies (Unquoted)</b>				
(i) DBL Chandikhole Bhadrak Highways Limited	1,93,572.00	2,450.00	-	-
(ii) DBL Bangalore Nidagatta Highways Private Limited	1,58,095.00	8,149.68	-	-
(iii) DBL Rewa Sidhi Highways Private Limited	78,210.00	5,527.20	-	-
<b>[A](1)</b>	<b>13,98,11,935.00</b>	<b>3,77,601.81</b>	<b>3,36,87,118.00</b>	<b>3,54,605.50</b>
<b>[2] Investments in Non Convertible debenture (NCD)</b>				
<b>In Subsidiary Companies</b>				
(i) 14% DBL Ashoknagar-Vidisha Tollways Limited	2,102.00	2,102.00	2,570.00	2,570.00
(ii) 14% DBL Bankhlfata-Dogawa Tollways Limited	2,471.00	2,471.00	3,320.00	3,320.00
(iii) 12% DBL Betul Sarni Tollways Limited	10,831.00	10,831.15	12,673.00	12,672.99
(iv) 14% DBL Hassan Periyapatna Tollways Limited	3,154.00	3,154.00	4,928.00	4,927.75
(v) 14% DBL Hata Dargawon Tollways Limited	3,932.00	3,932.15	4,344.00	4,344.01
(vi) 14% DBL Hirekerur Ranibennur Tollways Limited	1,459.00	1,459.00	2,023.00	2,023.50
(vii) 14% DBL Jaora Sailana Tollways Limited	2,060.00	2,060.00	3,220.00	3,220.00
(viii) 13% DBL Kalmath Zarap Highways Limited	19,460.00	19,460.00	21,367.00	21,367.50
(ix) 13% DBL Lucknow Sultanpur Highways Limited	57,500.00	57,500.00	65,774.00	65,774.00
(x) 13% DBL Mahagaon Yavatmal Highways Private Limited	17,947.00	17,947.00	24,030.00	24,030.00
(xi) 14% DBL Mundargi Harapanahalli Tollways Limited	1,157.00	1,157.00	1,695.00	1,696.50
(xii) 14% DBL Mundi Sanawad Tollways Limited	1,571.00	1,571.23	2,712.00	2,712.32
(xiii) 14% DBL Nadiad Modasa Tollways Limited	1,455.00	1,455.00	1,930.00	1,930.00

(Rs.in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of shares / NCD	Amount (in lakhs)	No of shares / NCD	Amount (in lakhs)
(xiv) 14% DBL Patan Rehli Tollways Limited	9,485.00	9,484.74	10,364.00	10,364.01
(xv) 14% DBL Sardarpur Badnawar Tollways Limited	896.00	896.72	1,505.00	1,504.80
(xvi) 14% DBL Silwani Sultanganj Tollways Limited	1,200.00	1,200.00	1,780.00	1,780.00
(xvii) 14% DBL Sitamau Suwasara Tollways Limited	637.00	637.00	1,346.00	1,347.50
(xviii) 14% DBL Tikamgarh Nowgaon Tollways Limited	2,872.00	2,872.00	4,232.00	4,232.00
(xix) 13% DBL Tuljapur Ausa Highways Limited	10,756.00	10,756.00	15,476.00	15,476.00
(xx) 14% DBL Uchera Nagod Tollways Limited	1,000.00	1,000.00	1,260.00	1,260.00
(xxi) 13% DBL Wardha Butibori Highways Private Limited	10,362.00	10,362.00	18,068.00	18,068.00
(xxii) 13% DBL Yavatmal Wardha Highways Private Limited	13,242.00	13,242.00	15,839.00	15,839.00
(xxiii) 13% DBL Sangli Borgaon Highways Limited	44,299.00	44,299.00	-	-
(xxiv) 13% DBL Bellary Byrapura Highways Private Limited	36,903.00	36,903.00	-	-
(xxv) 13% DBL Gorhar Khairatunda Highways Private Limited	33,034.00	33,034.00	-	-
(xxvi) 13% DBL Anandapuram Anakapalli Highways Private Limited	73,278.00	73,278.00	-	-
(xxvii) 14% Jalpa Devi Tollways Limited	40,795.00	40,795.00	45,141.00	45,141.00
(xxviii) 6.59% DBL Byrapura Challakere Highways Private Limited	19,233.00	19,233.17	-	-
<b>In Associate Companies</b>				
(xxix) 13% Bangalore Nidagatta Highways Private Limited	94,482.00	94,482.25	-	-
(xxx) 13% DBL Chandikhole Bhadrak Highways Limited	57,149.00	57,149.00	-	-
(xxxi) 13% DBL Rewa Sidhi Highways Private Limited	41,535.00	41,535.24	-	-
<b>[A](2)</b>	<b>6,16,257.00</b>	<b>6,16,258.65</b>	<b>2,65,597.00</b>	<b>2,65,600.88</b>
<b>[B]</b>				
<b>[1]</b>				
<b>Investment at amortised Cost</b>				
<b>Investments in Government Securities</b>				
6.64% G-Sec 2035	75,00,000.00	7,372.50	75,00,000.00	7,372.50
6.64% G Sec 2035	30,00,000.00	2,949.00	30,00,000.00	2,949.00
6.68% G-Sec 2031	50,00,000.00	5,096.00	50,00,000.00	5,096.00
7.26% G-Sec 2029	50,00,000.00	5,275.00	50,00,000.00	5,275.00
<b>[B](1)</b>	<b>2,05,00,000.00</b>	<b>20,692.50</b>	<b>2,05,00,000.00</b>	<b>20,692.50</b>
<b>[2]</b>				
<b>Investments in Others</b>				
7.03% Indian Railway Finance Corporation Ltd. Bonds	-	-	300.00	2,944.78
7.32% India Grid Trust NCD (Series L)	450.00	4,500.00	1,100.00	10,942.15
7.48% Mangalore Refinery & Petrochemicals Ltd NCD	-	-	250.00	2,541.43
Trust Investment Advisors-Commercial Paper(6%)	-	-	100.00	2,984.30
<b>[B](2)</b>	<b>450.00</b>	<b>4,500.00</b>	<b>1,750.00</b>	<b>19,412.66</b>
<b>Total</b>		<b>10,19,052.96</b>		<b>6,60,311.54</b>

(Rs.in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of shares / NCD	Amount (in lakhs)	No of shares / NCD	Amount (in lakhs)
Aggegate book value for quoted investments		-		-
Aggegate value for unquoted investments		<b>10,34,176.91</b>		<b>6,60,311.54</b>
Aggregate provision for impairment		<b>15,123.95</b>		-
<b>Current Investment</b>				
<b>Investment at Cost</b>				
<b>[C] <u>Investments in Non Convertible debenture (NCD)</u></b>				
<b><u>In Subsidiary Companies</u></b>				
(i) 13% DBL Kalmath Zarap Highways Limited	-	-	1,630.00	1,629.50
(ii) 12% DBL Betul Sarni Tollways Limited	1,842.00	1,841.85	1,537.00	1,537.01
(iii) 14% DBL Mundi Sanawad Tollways Limited	1,139.00	1,138.77	973.00	972.68
(iv) 14% DBL Hassan Periyapatna Tollways Limited	-	-	176.00	176.25
(v) 14% DBL Hata Dargawon Tollways Limited	203.00	202.86	241.00	240.99
(vi) 14% DBL Hirekerur Ranibennur Tollways Limited	-	-	701.00	700.50
(vii) 14% DBL Sardarpur Badnawar Tollways Limited	608.00	608.28	500.00	500.20
(viii) 13% DBL Sangli Bargaon Highways Limited	2,002.00	2,002.00	-	-
(ix) 13% DBL Bellary Byrapura Highways Private Limited	991.00	991.00	-	-
(x) 13% DBL Gorhar Khairatunda Highways Private Limited	667.00	667.00	-	-
(xi) 13% DBL Anandapuram Anakapalli Highways Private Limited	1,399.00	1,399.00	-	-
(xii) 14% DBL Patan Rehli Tollways Limited	865.00	865.26	245.00	244.99
(xiii) 6.59% DBL Byrapura Challakere Highways Private Limited	1,356.00	1,356.36	-	-
<b><u>In Associate Companies</u></b>				
13% Bangalore Nidagatta Highways Private Limited	4,973.00	4,972.75	-	-
13% DBL Rewa Sidhi Highways Private Limited	3,612.00	3,611.76	-	-
<b>Total [C]</b>	<b>19,657.00</b>	<b>19,656.87</b>	<b>6,003.00</b>	<b>6,002.12</b>
Aggegate book value for quoted investments		-		-
Aggegate value for unquoted investments		<b>19,656.87</b>		<b>6,002.12</b>
Aggregate provision for impairment		-		-
<b>Total Investement</b>		<b>10,38,709.83</b>		<b>6,66,313.66</b>

**Note 4 : Trade Receivables**

(Rs.in Lakhs)

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current</b>			
<b>From Related Parties</b>			
(i)	Trade Receivable considered good-secured	-	-
(ii)	Trade Receivable considered good-Unsecured (Refer note 23)	581.95	416.12
(iii)	Trade Receivables which have significant risk in Credit Risk	-	-
(iv)	Trade Receivables - credit impaired		
<b>Sub Total</b>		581.95	416.12
Less:	Less : Impairment loss allowance	-	-
<b>Total Current</b>		<b>581.95</b>	<b>416.12</b>
<b>Total</b>		<b>581.95</b>	<b>416.12</b>

\* Receivable from related party Rs.581.95 lakhs ( As at March 31, 2022 : Rs. 416.12 Lakhs)

**Trade Receivables Ageing schedule**

(Rs.in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total	
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
<b>As at March 31,2023</b>							
(i)	Undisputed Trade receivables – considered good	581.95	-	-	-	-	<b>581.95</b>
(ii)	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>		<b>581.95</b>	-	-	-	-	<b>581.95</b>
<b>As at March 31,2022</b>							
(i)	Undisputed Trade receivables – considered good	416.12	-	-	-	-	<b>416.12</b>
(ii)	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>		<b>416.12</b>	-	-	-	-	<b>416.12</b>

**Note 5 : Cash And Cash Equivalents**

(Rs.in Lakhs)

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(i)	Cash on hand	-	-
(ii)	Balance with Banks	11,952.25	1,414.95
<b>Total</b>		<b>11,952.25</b>	<b>1,414.95</b>

**Note 6 : Bank balance other than Cash & Cash Equivalents****(Rs.in Lakhs)**

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(i)	Term deposits with maturity less than 12 months	301.02	6,000.00
(ii)	Other Bank Balance	0.10	-
<b>Total</b>		<b>301.12</b>	<b>6,000.00</b>

**Note 7 : Loans & Advances****(Rs.in Lakhs)**

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(i)	<b>Current loans to related party</b>		
(a)	Loans Receivables considered good - Secured	-	-
(b)	Loans Receivables considered good - Unsecured	23,016.34	16,608.93
(c)	Loans Receivables which have significant risk in Credit Risk	-	-
(d)	Loans Receivables - credit impaired	-	-
<b>Total</b>		<b>23,016.34</b>	<b>16,608.93</b>

**(Rs.in Lakhs)**

Type of Borrower	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	23,016.34	100%	16,608.93	100%

**Note 8 : Other Financial Assets****(Rs.in Lakhs)**

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a)	<b>Non Current</b>		
	Deposit with Bank *	17,800.44	7,869.00
		<b>17,800.44</b>	<b>7,869.00</b>
b)	<b>Current</b>		
	Interest accrued on investment	509.54	656.00
	Interest Receivable from Related Party (Refer note 23)	15,679.42	4,565.87
<b>Total Non Current</b>		<b>16,188.96</b>	<b>5,221.87</b>

\* The above deposit of Rs. 17,800.44 Lakhs (March 31, 2022: Rs. 7,869.00) are kept in as Debt Service Reserve Account (DSRA) as per borrowing agreement with lender.

**Note 9 : Other Assets****(Rs.in Lakhs)**

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a)	<b>Current Assets</b>		
(i)	Prepaid Expenses	3.97	7.24
(ii)	Advance to Suppliers	-	1.88
(iii)	Balance with Government Authorities	175.18	-
(iv)	Other receivable	0.36	-
<b>Total</b>		<b>179.51</b>	<b>9.12</b>

**Note 10 :Capital****Unit Capital****(Rs.in Lakhs)**

Particulars	Number of units (in Lakhs)	Amount
Balance as on 31 <sup>st</sup> March 2021	-	-
Issued during the year *	3,904.70	3,90,470.00
Less:- Return of unit capital	-	(13,787.04)
<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>3,904.70</b>	<b>3,76,682.96</b>
Issued during the year *	1,656.55	1,70,515.64
Less:- Return of unit capital #	-	(40,922.48)
<b>Balance as on 31<sup>st</sup> March 2023</b>	<b>5,561.25</b>	<b>5,06,276.12</b>

\*Out of the total units of the InvIT 33,04,70,000 units of Rs. 100/- each have been issued for consideration other than cash in the F.Y.2021-22. During the F.Y.22-23 the trust offered an issue of 16,56,54,717 units in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines (the "InvIT Regulations"). Out of total units issued in current year 16,56,53,242 units of Rs. 100 each have been issued for consideration other than cash.

# During the year company has distributed return of capital Rs.9.912 per unit (F.Y.2021-22 Rs.3.531 per unit distributed return of capital which does not includes distribution for the last quarter as same paid in May 2022). Distribution in respect of return of capital for the F.Y.2022-23 does not include distribution declared for the period 1<sup>st</sup> January 2023 to 31<sup>st</sup> March 2023.

**Term/rights attached to unit****(a) Rights of unitholders**

The trust has 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. Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The investment manager approves dividend distributions.The distribution will be in proportion to the number of unit held by the unitholders. The trust declares and pay dividends in Indian rupees.

**(b) Reconciliation of the number of units outstanding and amount of unit capital:**

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of Units (Lakhs)	Rs. In Lakhs	No of Units (Lakhs)	Rs. In Lakhs
At the beginning of the year	3,904.70	3,76,682.96	-	-
Issued during the year as fully paid	1,656.55	1,70,515.64	3,904.70	3,90,470.00
Lees :- Return of capital during the year	-	(40,922.48)		(13,787.04)
At the end of the year	<b>5,561.25</b>	<b>5,06,276.12</b>	<b>3,904.70</b>	<b>3,76,682.96</b>

**(c) Details of Unit holding more than 5% units:**

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of Units (Lakhs)	%	No of Units (Lakhs)	%
Shrem Infrastructure Private Limited	2,279.24	40.98%	2,455.24	62.88%
Shrem Investment Private Limited	312.35	5.62%	312.35	8.00%
Nitan Chhatwal	-	-	273.01	6.99%
Shrem Enterprises Private Limited	819.32	14.73%	-	-
Dilip Buildcon Limited	513.22	9.23%	-	-
DBL infra Asset Private Limited	324.01	5.83%	-	-
RS Infra Advisors and consultants LLP	-	-	261.60	6.70%

**(d) Details of Unit holding by Promoters / Sponsor****Unit held by promoters / Sponsor at the end of the year**

Units held by promoters at the end of the year	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% Change during the year ended March 31,2023
	No. of Units	% of total Units	No. of Units	% of total Units	
Shrem Infrastructure Private Limited	2,279.24	40.98%	2,455.24	62.88%	-21.89%

**Note 11: Other Equity****i. Retained Earnings****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Balance at the beginning of the year	7,847.43	(335.62)
- Profit / (loss) for the year / period	1,016.90	23,558.19
- Other comprehensive income (net of tax)	-	-
- Distributions made to the unit holder during the year *	(16,106.72)	(15,375.14)
<b>Total</b>	<b>(7,242.39)</b>	<b>7,847.43</b>

<b>Balance of Other Equity at the end of the year</b>	<b>(7,242.39)</b>	<b>7,847.43</b>
---	-------------------	-----------------

\* The distribution by the trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT regulations.

The distribution relates to distributions made during the year towards Interest and Dividend along with the distribution related to the last quarter of FY.2021-22 and does not include the distribution relating to the period January 01, 2023 to March 31,2023 which will be paid after March 31, 2023.

**Note 12 : Borrowings****(Rs.in Lakhs)**

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a) Non Current</b>			
<b>(i) secured</b>			
	Term Loan	6,09,950.95	3,20,606.29
	Unamortised Processing Fees on TL	(1,779.94)	(1,231.61)
	Less:- Current Maturity of long term debts	(38,635.00)	(25,392.00)
	<b>Total Non current</b>	<b>5,69,536.01</b>	<b>2,93,982.68</b>
<b>(b) Current</b>			
<b>(i) secured</b>			
	Current Maturity of Term Loan	38,635.00	25,392.00
	<b>Total (B)</b>	<b>38,635.00</b>	<b>25,392.00</b>
	<b>Grand Total (A+B)</b>	<b>6,08,171.01</b>	<b>3,19,374.68</b>

**a) Term Loans are Secured by:****i) The securities provided for the Term loan from State Bank of India**

- 1) First Charge on all immovable assets & movable assets and all the receivable of the invIT including but not limited to
  - a) any repayment of loan & advance by the existing and proposed project SPVs to the InvIT.
  - b) Dividends to be paid by the he existing and proposed project SPVs to the InvIT.
  - c) Revenue flow of the infrastructure project directly/indirectly held by InvIT.

- 2) First charge on Escrow Account opened by the InvIT.
- 3) Assignment of Loan advanced by the trust to SPVs.
- 4) Pledge of 100 percent share of holding companies i.e. Shrem Roadways Private Limited (SRPL), Shrem Tollways Private Limited (STPL) and Shrem Infraventure Private Limited (SIPL)
- 5) Pledge of 15 percent of the units of InvITs held by sponsor i.e. Shrem Infra structure Pvt. Ltd.
- 6) Corporate Guarantee of all the SPVs.
- 7) DSRA for an amount adequate to cover interest and installment of two quarters.
- 8) Pledge of shares of all the SPV to the extent of shareholding of InvIT in the SPV

**ii) The securities provided for the Term loan from Union Bank of India**

- 1) First Pari passu Charge on all immovable assets & movable assets and all the receivable of the invIT including but not limited to
  - a) any repayment of loan & advance by the existing and proposed project SPVs to the InvIT.
  - b) Dividends to be paid by the he existing and proposed project SPVs to the InvIT.
  - c) Revenue flow of the infrastructure project directly/indirectly held by InvIT.
- 2) First Pari passu charge on Escrow Account opened by the InvIT.
- 3) Pari passu charge on Assignment of Loan advanced by the trust to SPVs.
- 4) Pari passu charge on Pledge of 100 percent share of holding companies i.e. Shrem Roadways Private Limited (SRPL), Shrem Tollways Private Limited (STPL) and Shrem Infraventure Private Limited (SIPL)
- 5) Pari passu charge on Pledge of 15 percent of the units of InvITs held by sponsor i.e. Shrem Infra structure Private Limited.
- 6) Corporate Guarantee of all the SPVs.
- 7) Pari passu charge on DSRA for an amount adequate to cover interest and installment of two quarters.
- 8) Pari passu charge on Pledge of shares of all the SPV to the extent of shareholding of InvIT in the SPV

**Note 13 : Other Financial Liabilities**

(Rs.in Lakhs)

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	<b>Current</b>		
(i)	Advance taken from related parties*	1,300.00	-
	<b>Total</b>	<b>1,300.00</b>	<b>-</b>

\* Advance taken from Subsidiaries during the year.

**Note 14 : Trade Payables**

(Rs.in Lakhs)

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	<b>Current</b>		
(a)	<b>Payable to Others</b>		
(i)	total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	255.55	3.32
	<b>Total current</b>	<b>255.55</b>	<b>3.32</b>

## Trade payable Ageing

(Rs.in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31,2023</b>					
(i) total outstanding dues of micro enterprises and small enterprises;	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises;	255.55	-	-	-	255.55
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>255.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>255.55</b>
<b>As at March 31,2022</b>					
(i) total outstanding dues of micro enterprises and small enterprises;	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises;	3.32	-	-	-	3.32
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>3.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.32</b>

## Note 15 : Other Current Liabilities

(Rs.in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(i) Statutory Dues	112.88	8.29
(ii) Other Payable	-	0.04
<b>Total</b>	<b>112.88</b>	<b>8.33</b>

## Note 16 : Provisions

(Rs.in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(i) Provision for Expenses	5.04	7.74
<b>Total</b>	<b>5.04</b>	<b>7.74</b>

**Note 17 : Revenue from Operations**

(Rs.in Lakhs)

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
	<b>Interest Income</b>		
(i)	Interest Income on Loans and Advances from Subsidiary Companies (Refer note 23)	1,891.30	1,754.94
(ii)	Interest Income on NCDs from Subsidiary Companies (Refer Note 23)	43,951.26	19,152.01
(iii)	Dividend Income from Subsidiary Companies (Refer Note 23)	11,825.76	12,690.28
	<b>Total</b>	<b>57,668.33</b>	<b>33,597.23</b>

**Note 18 : Other Income**

(Rs.in Lakhs)

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
	<b>Other non-operating income</b>		
(i)	Other Support Services- Revenue	2,317.87	4,855.87
(ii)	Interest on Fixed Deposit	652.95	199.21
(iii)	Interest Income on Bonds / G-Sec/ NCD / Commercial Paper	3,307.19	862.48
(iv)	Interest on Income tax refund	2.83	-
(v)	Capital Gain on Redemption	9.01	7.42
(vi)	Other Income	0.45	-
	<b>Total</b>	<b>6,290.30</b>	<b>5,924.98</b>

**Note 19 : Finance Cost**

(Rs.in Lakhs)

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
(i)	Interest on Borrowings	27,459.48	12,641.69
(ii)	Other borrowing costs	159.62	11.18
	<b>Total</b>	<b>27,619.10</b>	<b>12,652.87</b>

**Note 20 : Other Expenses**

(Rs.in Lakhs)

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
(i)	Audit Fees (Refer Note 20a)	13.10	10.60
(ii)	Legal & Professional Fees	982.22	82.79
(iii)	Rent,Rates and Taxes	0.62	(32.87)
(iv)	Miscellaneous Expenses	12.07	0.65
(v)	Other supportive services	-	2,591.45
(vi)	Registration & Stamp Duty	1.67	17.42
(vii)	Insurance Expenses	4.28	3.26
(viii)	Interest on Statutory dues	-	0.02
(ix)	Listing Fees	28.00	10.50
(x)	Loss on Sale of investment	331.12	-
	<b>Total</b>	<b>1,373.08</b>	<b>2,683.82</b>

**Note 20 (a): Remuneration to Auditors**

(Rs.in Lakhs)

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
i)	Audit Fees	13.10	10.60
ii)	For Taxation matters	-	-
iii)	For Company law matters	-	-
iv)	For Other Services	-	-
v)	For Reimbursement of Expenses	-	-
vi)	Expenses Reimbursed	-	-
	<b>Total</b>	<b>13.10</b>	<b>10.60</b>

**Note 21: Statement of earning per unit****(Rs.in Lakhs)**

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
a)	Profit / (Loss) for the year before tax	1,016.90	23,558.19
	Less : Attributable Tax thereto	-	-
	Profit / (Loss) after Tax	1,016.90	23,558.19
b)	No of units outstanding for computation of basic and diluted earning per unit	4,330.34	3,904.70
	Earning per Unit (Basic and diluted) (Rs. Per unit)	<b>0.23</b>	<b>6.03</b>

**Note 22: Contingent liabilities**

There are no Contingent liabilities as at March 31,2023 (March 31, 2022: Rs. Nil)

**Note 22.1: Capital and other commitments**

Shrem InvIT has entered into a Term Sheet with Dilip Buildcon Limited ( DBL) and DBL Infra Assets Private Limited (DIAPL) to acquire 10 road assets (out of which 8 road assets has been acquired by Shrem InvIT till 31<sup>st</sup> March,2023 ) owned by DBL and DIAPL.

**Note 23. Related Parties Transactions****A. List of related parties of Shrem Invit****Reporting Enterprise**

Shrem Invit

**List of Related parties is given below****i) List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures" and as per Regulation 2(1)(zv) of the SEBI InvIT Regulations****Related parties where control exists****Subsidiary Companies**

Shrem Tollways Private Limited  
 Shrem Infraventure Private Limited  
 Shrem Roadways Private Limited  
 Suryavanshi Infrastructure Private Limited  
 DBL Nadiad Modasa Tollways Limited  
 DBL Jaora-Sailana Tollways Limited  
 DBL Bankhlafata-Dogawa Tollways Limited  
 DBL Mundargi Harapanahalli Tollways Limited  
 DBL Hassan- Periyapatna Tollways Limited  
 DBL Hirekerur Ranibennur Tollways Limited  
 DBL Sardarpur Badnawar Tollways Limited  
 DBL Silwani - Sultanganj Tollways Limited  
 DBL Mundisanawad Tollways Limited  
 DBL Sitamau- Suwasara Tollways Private Limited  
 DBL Uchera-Nagod Tollways Limited  
 DBL Ashoknagar-Vidisha Tollways Limited  
 DBL Betul-Sarni Tollways Limited  
 DBL Tikamgarh- Nowgaon Tollways Limited  
 DBL Hata Dargawon Tollways Limited  
 DBL Patanrehli Tollways Limited  
 Jalpa Devi Tollways Limited  
 DBL Anandapuram Anakapalli Highways Private Limited (From 31<sup>st</sup> October 2023)  
 DBL Gorhar Khairatunda Highways Private Limited (From 31<sup>st</sup> October 2023)  
 DBL Sangli Borgaon Highways Limited (From 31<sup>st</sup> October 2023)  
 DBL Bellary Byrapura Highways Private Limited (From 31<sup>st</sup> October 2023)  
 DBL Luknow Sultanpur Highways Limited  
 DBL Kalmath Zarap Highways Limited

DBL Yavatmal Wardha Highways Private Limited  
DBL Mahagaon Yavatmal Highways Private Limited  
DBL Wardha Butibori Highways Private Limited  
DBL Tuljapur AUSA Highways Limited  
DBL Byrapura Challakere Highways Pvt Ltd (From 31<sup>st</sup> March 2023)

**Associate Companies**

DBL Chandikhole Bhadrak Highways Ltd (From 24<sup>th</sup> February 2023)  
DBL Bangalore Nidagatta Highways Pvt Ltd (From 31<sup>st</sup> March 2023)  
DBL Rewa Sidhi Highways Pvt Ltd (From 31<sup>st</sup> March 2023)

**II)**

**A) Parties to the InvIT**

Shrem Infra Structure Private Limited (Sponsor)  
Shrem Financial Private Limited (Investment Manager)  
Axis Trustee Services Limited (Trustee)  
Shrem Road Projects Private Limited (Project Manager)

**B) Director of the parties to the trust specified in category II (A) above**

**(i) Shrem Infra Structure Private Limited (Sponsor)**

Nitan Chhatwal  
Smita Nitan Chhatwal  
Krishani Nitan Chhatwal  
Shyam Sunder Malani

**(ii) Shrem Financial Private Limited (Investment Manager)**

Nitan Chhatwal  
Smita Nitan Chhatwal  
Nikhil Pareek

**(iii) Shrem Road Projects Pvt. Ltd. (Project Manager)**

Piyush Sheetalchand Jain  
Vineet taparia

**(iv) Axis Trustee Services Limited (Trustee)**

Rajesh Kumar Dahiya  
Ganesh Sankaran (Director)  
Deepa Rath (MD & CEO)

**C) Promoters of the parties to the trust specified in category II (A) above**

**(i) Shrem Infra Structure Private Limited (Sponsor)**

Chhatwal Group Trust  
Shrem Impex Pvt Ltd

**(ii) Shrem Financial Private Limited (Investment Manager)**

Chhatwal Group Trust  
Nitan Chhatwal  
Hitesh Chhatwal

**(iii) Shrem Road Projects Pvt. Ltd. (Project Manager)**

Chhatwal Group Trust  
Nitan Chhatwal  
Hitesh Chhatwal

**D) Entity having significant Influence**

Shrem Investment Private Limited  
R S Infra Advisors and Consultant LLP

**E) Directors and KMP having significant Influence over entity**

Shrem Enterprises Private Limited (formerly known as Shrem Offshore Wind Private Limited)

## (b) Transactions with the related parties:

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
	<b>Income</b>			
1	<b>Interest Income on Loans and Advances</b>	<b>Subsidiary</b>		
		Shrem Roadways Private Limited	-	0.50
		Shrem Tollway Private Limited	-	0.55
		Shrem Infraventure Private Limited	-	0.15
		DBL Ashoknagar Vidisha Tollways Private Limited	11.45	0.10
		DBL Uchera Nagod Tollways Limited	0.34	0.11
		DBL Sitamau Suwasara Tollways Limited	0.18	-
		Jalpa Devi Tollways Limited	94.46	317.36
		DBL Betul Sarni Tollways Limited	329.57	157.84
		DBL Hata Dargawon Tollways Limited	53.12	38.86
		DBL Silwani Sultanganj Tollways Limited	4.45	8.71
		DBL Mundi Sanawad Tollways Limited	71.93	57.71
		DBL Sardarpur Badnawar Tollways Limited	305.31	152.60
		DBL Nadiad Modasa Tollways Limited	6.77	4.21
		DBL Patan Rehli Tollways Limited	201.11	202.50
		DBL Tikamgarh Nowgaon Tollways Limited	3.98	2.71
		DBL Bankhlaftata Dogawa Tollways Limited	6.87	38.68
		DBL Jaora Sailana Tollways Limited	16.78	7.03
		DBL Mundargi Harapanahalli Tollways Limited	23.32	47.13
		DBL Hassan Periyapatna Tollways Limited	31.70	71.59
		DBL Hirekerur Ranibennur Tollways Limited	173.47	117.68
		DBL Anandapuram Anakapalli Highways Private Limited	140.49	-
		DBL Sangli Borgaon Highways Limited	36.72	-
		DBL Bellary Byrapura Highways Private Limited	0.01	-
		DBL Gorhar Khairatunda Highways Private Limited	0.00	-
		DBL Mahagaon Yavatmal Highways Private Limited	3.17	6.59
		DBL Lucknow Sultanpur Highways Limited	25.57	63.67
		DBL Kalmath Zaraph Highways Limited	223.71	300.24
		DBL Yavatmal Wardha Highways Private Limited	0.42	106.36
		DBL Tuljapur Ausa Highways Limited	11.55	30.43
		DBL Wardha Butibori Highways Private Limited	5.04	21.62
		<b>Associate</b>		
		DBL Bangalore Nidagatta Highways Pvt Ltd	0.00	-
		DBL Chandikhole Bhadrak Highways Ltd	109.80	-
		DBL Rewa Sidhi Highways Private Limited	0.00	-
			<b>1,891.30</b>	<b>1,754.94</b>
	<b>Interest Income on OCD</b>	<b>Subsidiary</b>		
		Shrem Roadways Private Limited	-	1.24
		Shrem Infraventure Private Limited	-	0.71
		Shrem Tollway Private Limited	-	0.48

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
	<b>Interest Income on NCDs</b>	<b>Subsidiary</b>		
		Shrem Roadways Private Limited	-	0.11
		Shrem Infraventure Private Limited	-	0.07
		Shrem Tollway Private Limited	-	0.04
		DBL Ashoknagar Vidisha Tollways Private Limited	328.63	243.80
		Jalpa Devi Tollways Limited	6,168.63	3,269.64
		DBL Betul Sarni Tollways Limited	1,625.53	860.30
		DBL Hata Dargawon Tollways Limited	639.65	334.75
		DBL Silwani Sultanganj Tollways Limited	210.36	175.24
		DBL Sitamau Suwasara Tollways Limited	113.26	116.08
		DBL Mundi Sanawad Tollways Limited	441.33	266.07
		DBL Uchera Nagod Tollways Limited	158.86	107.50
		DBL Sardarpur Badnawar Tollways Limited	251.98	143.27
		DBL Patan Rehli Tollways Limited	1,509.86	781.25
		DBL Tikamgarh Nowgaon Tollways Limited	503.68	376.29
		DBL Nadiad Modasa Tollways Limited	259.16	197.91
		DBL Bankhlaftata Dogawa Tollways Limited	400.57	240.51
		DBL Jaora Sailana Tollways Limited	356.18	238.43
		DBL Mundargi Harapanahalli Tollways Limited	229.14	145.83
		DBL Hassan Periyapatna Tollways Limited	627.52	418.80
		DBL Hirekerur Ranibennur Tollways Limited	340.55	225.65
		DBL Anandapuram Anakapalli Highways Private Limited	4,061.62	-
		DBL Sangli Borgaon Highways Limited	2,463.16	-
		DBL Bellary Byrapura Highways Private Limited	2,101.70	-
		DBL Gorhar Khairatunda Highways Private Limited	1,813.32	-
		DBL Lucknow Sultanpur Highways Limited	8,053.16	4,287.20
		DBL Kalmath Zaraph Highways Limited	2,869.05	1,562.87
		DBL Yavatmal Wardha Highways Private Limited	1,880.53	1,078.88
		DBL Tuljapur Ausa Highways Limited	1,764.91	1,041.46
		DBL Wardha Butibori Highways Private Limited	1,790.35	1,275.04
		DBL Mahagaon Yavatmal Highways Private Limited	2,682.93	1,762.57
		DBL Byrapura Challakere Highways Pvt Ltd	7.51	-
	<b>Associate</b>			
	DBL Chandikhole Bhadrak Highways Ltd	158.00	-	
	DBL Rewa Sidhi Highways Private Limited	48.24	-	
	DBL Bangalore Nidagatta Highways Pvt Ltd	91.89	-	
		<b>43,951.26</b>	<b>19,152.01</b>	
	<b>Interest Income on Bonds</b>	<b>Subsidiary</b>		
		DBL Hassan Periyapatna Tollways Limited	-	0.93
		DBL Sardarpur Badnawar Tollways Limited	-	0.28
		DBL Sitamau Suwasara Tollways Limited	-	0.28

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
		DBL Nadiad Modasa Tollways Limited	-	0.57
		DBL Mundargi Harapanahalli Tollways Limited	-	0.28
		DBL Uchera Nagod Tollways Limited	-	0.28
		DBL Silwani Sultanganj Tollways Limited	-	0.28
		DBL Hata Dargawon Tollways Limited	-	0.28
		DBL Betul Sarni Tollways Limited	-	0.91
		DBL Wardha Butibori Highways Private Limited	-	1.22
		DBL Kalmath Zaraph Highways Limited	-	0.91
		DBL Yavatmal Wardha Highways Private Limited	-	0.91
		DBL Mahagaon Yavatmal Highways Private Limited	-	1.65
		DBL Tuljapur Ausa Highways Limited	-	0.61
			-	<b>9.42</b>
	<b>Dividend received</b>	<b>Subsidiary</b>		
		Shrem Infraventure Private Limited	-	4,521.00
		Shrem Roadways Private Ltd	-	8,169.28
		Suryavanshi Infrastructure Private Limited	493.06	-
		DBL Nadiad Modasa Tollways Limited	1,817.82	-
		DBL Hassan Periyapatna Tollways Limited	2,040.00	-
		DBL Uchera Nagod Tollways Limited	708.00	-
		DBL Silwani Sultanganj Tollways Limited	156.19	-
		DBL Mundargi Harapanahalli Tollways Limited	1,681.65	-
		DBL Sitamau Suwasara Tollways Limited	109.05	-
		DBL Hirekerur Ranibennur Tollways Limited	1,270.00	-
		DBL Jaora Sailana Tollways Limited	250.00	-
		DBL Yavatmal Wardha Highways Private Limited	3,300.00	-
			<b>11,825.76</b>	<b>12,690.28</b>
	<b>Other Support Services</b>	<b>Subsidiary</b>		
		DBL Tuljapur Ausa Highways Limited	82.91	311.81
		DBL Wardha Butibori Highways Private Limited	106.14	540.07
		DBL Yavatmal Wardha Highways Private Limited	100.68	394.78
		DBL Mahagaon Yavatmal Highways Private Limited	111.52	460.94
		DBL Kalmath Zaraph Highways Limited	111.27	612.51
		DBL Lucknow Sultanpur Highways Limited	168.63	705.68
		DBL Ashoknagar Vidisha Tollways Private Limited	8.18	30.51
		DBL Patan Rehli Tollways Limited	37.20	138.98
		DBL Sardarpur Badnawar Tollways Limited	5.86	21.60
		DBL Silwani Sultanganj Tollways Limited	15.65	56.49
		DBL Sitamau Suwasara Tollways Limited	8.99	31.10
		Suryavanshi Infrastructure Private Limited	7.46	19.56
		DBL Tikamgarh Nowgaon Tollways Limited	17.95	63.22
		DBL Uchera Nagod Tollways Limited	16.97	62.52
		DBL Mundi Sanawad Tollways Limited	14.86	53.51
		DBL Mundargi Harapanahalli Tollways Limited	34.13	140.18
		DBL Jaora Sailana Tollways Limited	17.91	70.90

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
		Jalpa Devi Tollways Limited	152.42	506.73
		DBL Hata Dargawon Tollways Limited	14.24	51.35
		DBL Bankhlaftata Dogawa Tollways Limited	13.65	54.49
		DBL Betul Sarni Tollways Limited	33.23	116.38
		DBL Nadiad Modasa Tollways Limited	20.44	83.81
		DBL Hassan Periyapatna Tollways Limited	47.79	185.91
		DBL Hirekerur Ranibennur Tollways Limited	37.11	142.86
		DBL Anandapuram Anakapalli Highways Private Limited	293.00	-
		DBL Sangli Borgaon Highways Limited	385.61	-
		DBL Bellary Byrapura Highways Private Limited	286.48	-
		DBL Gorhar Khairatunda Highways Private Limited	167.61	-
			<b>2,317.87</b>	<b>4,855.87</b>
<b>2</b>	<b>Expenses</b>	<b><u>Investment Manager</u></b>		
	<b>Investment manager fees</b>	Shrem Financials Private Limited	1,247.90	627.33
			<b>1,247.90</b>	<b>627.33</b>
	<b>Other Support services</b>	<b><u>Investment Manager</u></b>		
		Shrem Financials Private Limited	-	2,591.45
			<b>-</b>	<b>2,591.45</b>
<b>3</b>	<b>Issue of Unit Capital</b>	<b><u>Sponsor</u></b>		
		Shrem Infrastructure Private Limited	-	2,45,524.03
		Shrem Investments Private Limited	-	31,235.03
		Chhatwal Group Trust	-	26,300.96
		RS Infra Advisors and Consultants LLP	-	26,160.30
		Nitan Chhatwal	-	624.84
		Hitesh Chhatwal	-	624.84
		<b><u>Directors and KMP having significant Influence over entity</u></b>		
		Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind Private Limited )	83,723.73	-
			<b>83,723.73</b>	<b>3,30,470.00</b>
<b>4</b>	<b>Loan Given to related parties</b>	<b><u>Subsidiary</u></b>		
		DBL Betul Sarni Tollways Limited	1,606.00	3,509.00
		DBL Ashoknagar Vidisha Tollways Private Limited	268.00	33.00
		DBL Bankhlaftata Dogawa Tollways Limited	295.00	1,330.00
		DBL Hassan Periyapatna Tollways Limited	163.00	2,129.00
		DBL Hata Dargawon Tollways Limited	115.00	675.00
		DBL Hirekerur Ranibennur Tollways Limited	432.00	2,610.00
		DBL Jaora Sailana Tollways Limited	367.00	539.00
		DBL Mundargi Harapanahalli Tollways Limited	382.00	1,079.00
		DBL Mundi Sanawad Tollways Limited	114.00	1,235.00
		DBL Nadiad Modasa Tollways Limited	236.00	563.00
		DBL Patan Rehli Tollways Limited	295.00	3,548.00
		DBL Sardarpur Badnawar Tollways Limited	119.00	2,407.00
		DBL Silwani Sultanganj Tollways Limited	147.00	280.00
		DBL Tikamgarh Nowgaon Tollways Limited	152.00	220.00
		DBL Uchera Nagod Tollways Limited	-	40.00

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022	
5	Repayment Loan from Related parties	DBL Sitamau Suwasara Tollways Limited	28.00	-	
		Jalpa Devi Tollways Limited	-	5,750.00	
		Suryavanshi Infrastructure Private limited	-	148.00	
		Shrem Infraventure Private Limited	-	35,891.16	
		Shrem Roadways Private Limited	12.00	10,640.00	
		Shrem Tollway Private Limited	-	18,189.70	
		DBL Anandapuram Anakapalli Highways Private Limited	3,815.57	-	
		DBL Sangli Borgaon Highways Limited	950.00	-	
		DBL Bellary Byrapura Highways Private Limited	0.77	-	
		DBL Gorhar Khairatunda Highways Private Limited	0.66	-	
		DBL Kalmath Zaraph Highways Limited	1,435.00	9,105.23	
		DBL Lucknow Sultanpur Highways Limited	1,019.00	19,302.19	
		DBL Tuljapur Ausa Highways Limited	242.00	835.00	
		DBL Wardha Butibori Highways Private Limited	398.00	5,471.00	
		DBL Yavatmal Wardha Highways Private Limited	15.00	3,056.00	
		DBL Mahagaon Yavatmal Highways Private Limited	273.00	668.40	
		<b>Investment Manager</b>			
		Shrem Financials Private Limited	-	5,959.39	
		<b>Associate</b>			
		DBL Chandikhole Bhadrak Highways Ltd	8,550.00	-	
		DBL Bangalore Nidagatta Highways Pvt Ltd	0.66	-	
		DBL Rewa Sidhi Highways Pvt Ltd	0.33	-	
				<b>21,430.99</b>	<b>1,35,213.07</b>
		<b>Subsidiary</b>			
		DBL Ashoknagar Vidisha Tollways Private Limited	301.00	-	
		DBL Betul Sarni Tollways Limited	715.00	1,132.20	
		DBL Bankhlaftata Dogawa Tollways Limited	769.00	700.00	
		DBL Hassan Periyapatna Tollways Limited	473.00	1,819.00	
		DBL Jaora Sailana Tollways Limited	604.00	164.00	
		DBL Hata Dargawon Tollways Limited	253.00	300.00	
		DBL Hirekerur Ranibennur Tollways Limited	300.07	1,610.00	
		DBL Sitamau Suwasara Tollways Limited	28.00	-	
		DBL Mundargi Harapanahalli Tollways Limited	382.00	1,079.00	
DBL Mundi Sanawad Tollways Limited	549.00	502.00			
DBL Patan Rehli Tollways Limited	2,228.00	599.30			
DBL Nadiad Modasa Tollways Limited	376.00	423.00			
DBL Sardarpur Badnawar Tollways Limited	117.00	241.00			
DBL Silwani Sultanganj Tollways Limited	98.08	256.00			
DBL Tikamgarh Nowgaon Tollways Limited	214.00	158.00			
DBL Uchera Nagod Tollways Limited	20.00	20.00			
Jalpa Devi Tollways Limited	3,364.30	2,385.70			
Suryavanshi Infrastructure Private limited	-	148.00			
Shrem Infraventure Private Limited	-	35,891.16			
Shrem Roadways Private Ltd	12.00	10,640.00			
Shrem Tollway Private Limited	-	18,189.70			
DBL Anandapuram Anakapalli Highways Private Limited	0.57	-			

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022	
6	Investment Made In Equity	DBL Bellary Byrapura Highways Private Limited	0.77	-	
		DBL Gorhar Khairatunda Highways Private Limited	0.66	-	
		DBL Kalmath Zaraph Highways Limited	3,102.23	7,438.00	
		DBL Lucknow Sultanpur Highways Limited	194.00	19,302.19	
		DBL Mahagaon Yavatmal Highways Private Limited	168.00	668.40	
		DBL Tuljapur Ausa Highways Limited	495.89	451.11	
		DBL Wardha Butibori Highways Private Limited	243.00	5,471.00	
		DBL Yavatmal Wardha Highways Private Limited	15.00	3,056.00	
		<b>Investment Manager</b>			
		Shrem Financials Private Limited	-	5,639.89	
				<b>15,023.57</b>	<b>1,18,284.65</b>
		<b>Subsidiary</b>			
		Shrem Infraventure Private Limited	-	1,33,336.80	
		Shrem Roadways Private Limited	-	88,793.00	
		Shrem Tollway Private Limited	-	1,32,475.70	
		DBL Ashoknagar-Vidisha Tollways Private Ltd	1,897.00	-	
		DBL Bankhlfata-Dogawa Tollways Ltd	3,758.00	-	
		DBL Hassan Periyapatna Tollways Ltd	9,057.00	-	
		DBL Hata Dargawon Tollways Limited	2,237.00	-	
		DBL Hirekerur Ranibennur Tollways Ltd	5,466.00	-	
		DBL Jaora Sailana Tollways Ltd	6,186.00	-	
		DBL Mundargi Harapanahalli Tollways Ltd	6,113.00	-	
		DBL Mundi Sanawad Tollways Ltd	2,142.00	-	
		DBL Nadiad Modasa Tollways Ltd	8,711.00	-	
		DBL Patan Rehli Tollways Ltd	9,414.00	-	
		DBL Silwani Sultanganj Tollways Ltd	4,623.00	-	
		DBL Sitamau Suwasara Tollways Ltd	2,186.00	-	
		DBL Tikamgarh Nowgaon Tollways Ltd	5,108.00	-	
		DBL Uchera Nagod Tollways Ltd	7,446.00	-	
		Jalpa Devi Tollways Limited	1,37,709.00	-	
		DBL Betul Sarni Tollways Limited	4,151.00	-	
		DBL Sardarpur Badnawar Tollways Limited	1,000.00	-	
		Suryavanshi Infrastructure Private Limited	1,680.00	-	
		DBL Kalmath Zarap Highways Limited	10,336.00	-	
		DBL Yavatmal Wardha Highways Private Limited	19,110.00	-	
		DBL Mahagaon Yavatmal Highways Private Limited	21,594.00	-	
		DBL Wardha Butibori Highways Private Limited	20,704.00	-	
		DBL Luknow Sultanpur Highways Limited	30,069.00	-	
		DBL Tuljapur Ausa Highways Limited	16,206.00	-	
		DBL Anandapuram Anakapalli Highways Private Limited	11,465.90	-	
DBL Sangli Borgaon Highways Limited	9,049.16	-			
DBL Bellary Byrapura Highways Private Limited	5,466.25	-			
DBL Byrapura Challakere Highways Pvt Ltd	9,072.44	-			
DBL Gorhar Khairatunda Highways Private Limited	4,517.34	-			
<b>Associate</b>					
DBL Chandikhole Bhadrak Highways Ltd	2,450.00	-			
DBL Bangalore Nidagatta Highways Pvt Ltd	8,149.68	-			
DBL Rewa Sidhi Highways Pvt Ltd	5,527.20	-			
		<b>3,92,600.96</b>	<b>3,54,605.49</b>		

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
7	Investment Made In NCD's	<b>Subsidiary</b>		
		DBL Ashoknagar-Vidisha Tollways Private Ltd	-	4,410.00
		DBL Bankhlfata-Dogawa Tollways Ltd	-	4,220.00
		DBL Betul Sarni Tollways Ltd	-	15,060.00
		DBL Hassan Periyapatna Tollways Ltd	-	8,141.00
		DBL Hata Dargawon Tollways Limited	-	5,110.00
		DBL Hirekerur Ranibennur Tollways Ltd	-	4,460.00
		DBL Jaora Sailana Tollways Ltd	-	5,370.00
		DBL Mundargi Harapanahalli Tollways Ltd	-	2,805.00
		DBL Mundi Sanawad Tollways Ltd	-	4,160.00
		DBL Nadiad Modasa Tollways Ltd	-	4,100.00
		DBL Patan Rehli Tollways Ltd	-	11,850.00
		DBL Sardarpur Badnawar Tollways Ltd	-	2,280.00
		DBL Silwani Sultanganj Tollways Ltd	-	3,100.00
		DBL Sitamau Suwasara Tollways Ltd	-	1,890.00
		DBL Tikamgarh Nowgaon Tollways Ltd	-	6,520.00
		DBL Uchera Nagod Tollways Ltd	-	3,790.00
		Jalpa Devi Tollways Limited	-	54,720.00
		DBL Anandapuram Anakapalli Highways Private Limited	82,717.00	-
		DBL Sangli Borgaon Highways Limited	49,221.00	-
		DBL Bellary Byrapura Highways Private Limited	41,237.00	-
		DBL Gorhar Khairatunda Highways Private Limited	35,931.00	-
		DBL Tuljapur AUSA Highways Ltd	-	22,575.00
		DBL Wardha Butibori Highways Pvt Ltd	-	23,035.00
		DBL Yavatmal Wardha Highways Pvt Ltd	-	26,584.00
		DBL Kalmath Zarap Highways Ltd	-	26,250.00
		DBL Lucknow Sultanpur Highways Ltd	-	75,576.00
DBL Mahagaon Yavatmal Highways Pvt Ltd	-	36,196.00		
DBL Byrapura Challakere Highways Pvt Ltd	20,589.53	-		
		<b>Associate</b>		
		DBL Chandikhole Bhadrak Highways Ltd	62,349.00	-
		DBL Bangalore Nidagatta Highways Pvt Ltd	99,455.00	-
		DBL Rewa Sidhi Highways Pvt Ltd	45,147.00	-
8	Investment In Optionally convertible Debenture	<b>Subsidiary</b>		
		Shrem Infraventure Private Limited	-	17,200.00
		Shrem Roadways Private Limited	-	28,300.00
		Shrem Tollway Private Limited	-	11,700.00
			<b>4,36,646.52</b>	<b>4,09,402.00</b>
9	Redemption of Investment in NCD's	<b>Subsidiary</b>		
		DBL Ashoknagar Vidisha Tollways Private Limited	468.00	1,840.00
		DBL Hassan Periyapatna Tollways Limited	1,950.00	3,037.00
		DBL Hirekerur Ranibennur Tollways Limited	1,265.00	1,736.00
		DBL Mundargi Harapanahalli Tollways Limited	539.50	1,108.50

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
		DBL Patan Rehli Tollways Limited	259.00	1,241.00
		DBL Tikamgarh Nowgaon Tollways Limited	1,360.00	2,288.00
		DBL Bankhlafata Dogawa Tollways Limited	849.00	900.00
		DBL Betul Sarni Tollways Limited	1,537.00	850.00
		DBL Hata Dargawon Tollways Limited	450.00	525.00
		DBL Jaora Sailana Tollways Limited	1,160.00	2,150.00
		DBL Mundi Sanawad Tollways Limited	975.00	475.00
		DBL Nadiad Modasa Tollways Limited	475.00	2,170.00
		DBL Sardarpur Badnawar Tollways Limited	500.00	275.00
		DBL Silwani Sultanganj Tollways Limited	580.00	1,320.00
		DBL Sitamau Suwasara Tollways Limited	710.50	542.50
		DBL Uchera Nagod Tollways Limited	260.00	2,530.00
		Jalpa Devi Tollways Limited	4,346.00	9,579.00
		DBL Anandapuram Anakapalli Highways Private Limited	8,040.00	-
		DBL Sangli Borgaon Highways Limited	2,920.00	-
		DBL Bellary Byrapura Highways Private Limited	3,343.00	-
		DBL Gorhar Khairatunda Highways Private Limited	2,230.00	-
		DBL Tuljapur Ausa Highways Limited	4,720.00	7,099.00
		DBL Lucknow Sultanpur Highways Limited	8,274.00	9,802.00
		DBL Kalmath Zaraph Highways Limited	3,537.00	3,253.00
		DBL Mahagaon Yavatmal Highways Private Limited	6,083.00	12,166.00
		DBL Wardha Butibori Highways Private Limited	7,706.00	4,967.00
		DBL Yavatmal Wardha Highways Private Limited	2,597.00	10,745.00
		<b>Associate</b>		
		DBL Chandikhole Bhadrak Highways Ltd	5,200.00	-
		<b>Subsidiary</b>		
10	<b>Redemption In Optionally convertible Debenture</b>	Shrem Infraventure Private Limited	-	17,200.00
		Shrem Roadways Private Limited	-	28,300.00
		Shrem Tollway Private Limited	-	11,700.00
11	<b>Sale of Bonds</b>	<b>Subsidiary</b>		
	7.95% Bank of Baroda Perpetual Bonds	DBL Kalmath Zaraph Highways Limited	-	300.60
		DBL Yavatmal Wardha Highways Private Limited	-	300.60
		DBL Tuljapur Ausa Highways Limited	-	200.40
		DBL Wardha Butibori Highways Private Limited	-	400.80
		DBL Betul Sarni Tollways Limited	-	300.60
		DBL Hata Dargawon Tollways Limited	-	100.20
		DBL Silwani Sultanganj Tollways Limited	-	100.20
		DBL Sitamau Suwasara Tollways Limited	-	100.20
		DBL Uchera Nagod Tollways Limited	-	100.20
		DBL Sardarpur Badnawar Tollways Limited	-	100.20
		DBL Nadiad Modasa Tollways Limited	-	200.40
		DBL Mundargi Harapanahalli Tollways Limited	-	100.20
			-	<b>2,304.60</b>

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
12	8.05% Canara Bank Perpetual Bonds	<b>Subsidiary</b>		
		DBL Hassan Periyapatna Tollways Limited	-	300.30
		DBL Mahagaon Yavatmal Highways Private Limited	-	300.30
			-	<b>600.60</b>
13	Return of Unit Capital	<b>Sponsor</b>		
		Shrem Infrastructure Pvt Ltd	24,284.90	8,669.16
		<b>Directors and KMP having significant Influence over entity</b>		
		Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind Private Limited )	1,561.97	-
		Nitan Chhatwal	61.93	22.06
		Smita Nitán Chhatwal	19.83	7.06
		Shrem Investment Private Limited	3,096.02	1,102.87
		Nitan Chhatwal (on behalf of CGT)	2,706.07	928.66
		Hitesh Chhatwal	61.93	22.06
		R S Infra Advisors and Consultant LLP	2,593.01	923.69
		<b>34,385.67</b>	<b>11,675.57</b>	
14	Dividend Paid to unitholders	<b>Sponsor</b>		
		Shrem Infrastructure Pvt Ltd	3,439.08	7,979.53
		<b>Directors and KMP having significant Influence over entity</b>		
		Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind Private Limited )	245.35	-
		Nitan Chhatwal	8.77	20.31
		Smita Nitán Chhatwal	2.81	6.50
		Shrem Investment Private Limited	438.54	1,015.14
		Nitan Chhatwal (on behalf of CGT)	383.31	854.78
		Hitesh Chhatwal	8.77	20.31
		R S Infra Advisors and Consultant LLP	367.29	850.21
		<b>4,893.92</b>	<b>10,746.79</b>	
15	Interest to unit holders	<b>Sponsor</b>		
		Shrem Infrastructure Pvt Ltd	6,222.92	1,688.22
		<b>Directors and KMP having significant Influence over entity</b>		
		Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind Private Limited )	257.49	-
		Nitan Chhatwal	15.86	4.30
		Smita Nitán Chhatwal	5.07	1.37
		Shrem Investment Private Limited	792.74	214.77
		Nitan Chhatwal (on behalf of CGT)	692.90	180.84
		Hitesh Chhatwal	15.86	4.30
		R S Infra Advisors and Consultant LLP	663.95	179.88
		<b>8,666.79</b>	<b>2,273.67</b>	
16	Advance Taken from SPV	<b>Subsidiary</b>		
		DBL Uchera-Nagod Tollways Limited	650.00	-
				-
		<b>1,300.00</b>	<b>-</b>	

## (c) Balances due from/to the related parties:

(Rs.in Lakhs)

Sr No	Narration	Name of Related Parties	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1	Investments	<b><u>In Equity - Subsidiary</u></b>		
		Shrem Infraventure Private Limited	11.19	1,33,336.80
		Shrem Roadways Private Limited	4.32	88,793.00
		Shrem Tollway Private Limited	109.28	1,32,475.70
		DBL Ashoknagar Vidisha Tollways Limited	1,897.00	-
		DBL Bankhlfata Dogawa Tollways Limited	3,758.00	-
		DBL Hassan Periyapatna Tollways Limited	9,057.00	-
		DBL Hata Dargawon Tollways Limited	2,237.00	-
		DBL Hirekerur Ranibennur Tollways Limited	5,466.00	-
		DBL Jaora Sailana Tollways Limited	6,186.00	-
		DBL Mundargi Harapanahalli Tollways Limited	6,113.00	-
		DBL Mundi Sanawad Tollways Limited	2,142.00	-
		DBL Nadiad Modasa Tollways Limited	8,711.00	-
		DBL Patan Rehli Tollways Limited	9,414.00	-
		DBL Silwani Sultanganj Tollways Limited	4,623.00	-
		DBL Sitamau Suwasara Tollways Limited	2,186.00	-
		DBL Tikamgarh Nowgaon Tollways Limited	5,108.00	-
		DBL Uchera Nagod Tollways Limited	7,446.00	-
		Jalpa Devi Tollways Limited	1,37,709.00	-
		DBL Betul Sarni Tollways Limited	4,151.00	-
		DBL Sardarpur Badnawar Tollways Limited	1,000.00	-
		Suryavanshi Infrastructure Private Limited	1,680.00	-
		DBL Anandapuram Anakapalli Highways Private Limited	11,465.90	-
		DBL Sangli Borgaon Highways Limited	9,049.16	-
		DBL Bellary Byrapura Highways Private Limited	5,466.25	-
		DBL Gorhar Khairatunda Highways Private Limited	4,517.34	-
		DBL Wardha Butibori Highways Private Limited	20,704.00	-
		DBL Yavatmal Wardha Highways Private Limited	19,110.00	-
		DBL Kalmath Zaraph Highways Limited	10,336.00	-
		DBL Lucknow Sultanpur Highways Limited	30,069.00	-
		DBL Mahagaon Yavatmal Highways Private Limited	21,594.00	-
		DBL Tuljapur Ausa Highways Limited	16,206.00	-
		DBL Byrapura Challakere Highways Pvt Ltd	9,072.44	-
	<b><u>Associate</u></b>			
	DBL Bangalore Nidagatta Highways Pvt Ltd	8,149.68	-	-
	DBL Chandikhole Bhadrak Highways Ltd	2,450.00	-	-
	DBL Rewa Sidhi Highways Pvt Ltd	5,527.20	-	-
		<b>3,92,725.76</b>	<b>3,54,605.49</b>	
		<b><u>In NCD's - Subsidiary</u></b>		
	DBL Ashoknagar Vidisha Tollways Private Limited	2,102.00	2,570.00	
	DBL Bankhlfata Dogawa Tollways Limited	2,471.00	3,320.00	
	DBL Betul Sarni Tollways Limited	12,673.00	14,210.00	
	DBL Hassan Periyapatna Tollways Limited	3,154.00	5,104.00	
	DBL Hata Dargawon Tollways Limited	4,135.00	4,585.00	
	DBL Hirekerur Ranibennur Tollways Limited	1,459.00	2,724.00	

(Rs.in Lakhs)

Sr No	Narration	Name of Related Parties	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
		DBL Jaora Sailana Tollways Limited	2,060.00	3,220.00
		DBL Mundargi Harapanahalli Tollways Limited	1,157.00	1,696.50
		DBL Mundi Sanawad Tollways Limited	2,710.00	3,685.00
		DBL Nadiad Modasa Tollways Limited	1,455.00	1,930.00
		DBL Patan Rehli Tollways Limited	10,350.00	10,609.00
		DBL Sardarpur Badnawar Tollways Limited	1,505.00	2,005.00
		DBL Silwani Sultanganj Tollways Limited	1,200.00	1,780.00
		DBL Sitamau Suwasara Tollways Limited	637.00	1,347.50
		DBL Tikamgarh Nowgaon Tollways Limited	2,872.00	4,232.00
		Jalpa Devi Tollways Limited	40,795.00	45,141.00
		DBL Uchera Nagod Tollways Limited	1,000.00	1,260.00
		DBL Anandapuram Anakapalli Highways Private Limited	74,677.00	-
		DBL Sangli Borgaon Highways Limited	46,301.00	-
		DBL Bellary Byrapura Highways Private Limited	37,894.00	-
		DBL Gorhar Khairatunda Highways Private Limited	33,701.00	-
		DBL Kalmath Zaraph Highways Limited	19,460.00	22,997.00
		DBL Lucknow Sultanpur Highways Limited	57,500.00	65,774.00
		DBL Mahagaon Yavatmal Highways Private Limited	17,947.00	24,030.00
		DBL Tuljapur Ausa Highways Limited	10,756.00	15,476.00
		DBL Wardha Butibori Highways Private Limited	10,362.00	18,068.00
		DBL Yavatmal Wardha Highways Private Limited	13,242.00	15,839.00
		DBL Byrapura Challakere Highways Pvt Ltd	20,589.53	-
		<b>Associate</b>		
		DBL Bangalore Nidagatta Highways Pvt Ltd	99,455.00	-
		DBL Chandikhole Bhadrak Highways Ltd	57,149.00	-
		DBL Rewa Sidhi Highways Pvt Ltd	45,147.00	-
			<b>6,35,915.53</b>	<b>2,71,603.00</b>
<b>2</b>	<b>Trade Receivables</b>	DBL Ashoknagar Vidisha Tollways Private Limited	2.63	2.74
		DBL Bankhlfata Dogawa Tollways Limited	4.38	4.90
		DBL Betul Sarni Tollways Limited	10.68	10.54
		DBL Hassan Periyapatna Tollways Limited	15.35	19.78
		DBL Hata Dargawon Tollways Limited	4.57	4.78
		DBL Hirekerur Ranibennur Tollways Limited	11.92	14.77
		DBL Jaora Sailana Tollways Limited	5.75	6.71
		DBL Mundargi Harapanahalli Tollways Limited	10.96	14.21
		DBL Mundi Sanawad Tollways Limited	4.77	4.85
		DBL Nadiad Modasa Tollways Limited	6.57	7.67
		DBL Patan Rehli Tollways Limited	11.95	11.73
		DBL Sardarpur Badnawar Tollways Limited	1.88	2.08
		DBL Silwani Sultanganj Tollways Limited	5.03	5.09
		DBL Sitamau Suwasara Tollways Limited	2.89	2.68
		DBL Tikamgarh Nowgaon Tollways Limited	5.77	5.83

(Rs.in Lakhs)

Sr No	Narration	Name of Related Parties	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
		DBL Uchera Nagod Tollways Limited	5.45	5.42
		Jalpa Devi Tollways Limited	48.97	40.85
		Suryavanshi Infrastructure Private Limited	2.40	25.33
		DBL Anandapuram Anakapalli Highways Private Limited	11.63	-
		DBL Sangli Borgaon Highways Limited	15.30	-
		DBL Bellary Byrapura Highways Private Limited	11.37	-
		DBL Gorhar Khairatunda Highways Private Limited	5.44	-
		DBL Wardha Butibori Highways Private Limited	191.55	40.37
		DBL Yavatmal Wardha Highways Private Limited	32.35	29.46
		DBL Tuljapur AUSA Highways Limited	26.64	23.34
		DBL Kalmath Zaraph Highways Limited	35.75	45.78
		DBL Lucknow Sultanpur Highways Limited	54.18	52.76
		DBL Mahagaon Yavatmal Highways Private Limited	35.83	34.47
			<b>581.95</b>	<b>416.12</b>
<b>3</b>	<b>Interest Receivables</b>	DBL Ashoknagar Vidisha Tollways Limited	(2.98)	48.74
		DBL Bankhlfata Dogawa Tollways Limited	180.24	84.16
		DBL Betul Sarni Tollways Limited	670.71	391.48
		DBL Hassan Periyapatna Tollways Limited	8.50	8.63
		DBL Hata Dargawon Tollways Limited	44.20	59.72
		DBL Hirekerur Ranibennur Tollways Limited	22.13	61.39
		DBL Jaora Sailana Tollways Limited	128.14	73.92
		DBL Mundargi Harapanahalli Tollways Limited	4.95	1.54
		DBL Mundi Sanawad Tollways Limited	126.80	95.34
		DBL Nadiad Modasa Tollways Limited	2.47	39.76
		DBL Patan Rehli Tollways Limited	779.73	359.76
		DBL Sardarpur Badnawar Tollways Limited	154.54	89.71
		DBL Silwani Sultanganj Tollways Limited	42.99	29.49
		DBL Sitamau Suwasara Tollways Limited	7.74	23.26
		DBL Tikamgarh Nowgaon Tollways Limited	123.86	78.30
		DBL Uchera Nagod Tollways Limited	6.67	17.81
		Jalpa Devi Tollways Limited	(2.97)	12.51
		DBL Anandapuram Anakapalli Highways Private Limited	3,638.56	-
		DBL Sangli Borgaon Highways Limited	2,164.35	-
		DBL Bellary Byrapura Highways Private Limited	778.58	-
		DBL Gorhar Khairatunda Highways Private Limited	1,448.11	-
		DBL Wardha Butibori Highways Private Limited	235.94	8.93
		DBL Yavatmal Wardha Highways Private Limited	433.69	170.73
		DBL Tuljapur AUSA Highways Limited	351.32	446.53
		DBL Kalmath Zaraph Highways Limited	24.08	293.40
		DBL Lucknow Sultanpur Highways Limited	3,147.53	1,811.91
		DBL Byrapura Challakere Highways Pvt Ltd	217.79	-
		DBL Mahagaon Yavatmal Highways Private Limited	533.82	358.85

(Rs.in Lakhs)

Sr No	Narration	Name of Related Parties	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
		<b>Associate</b>		
		DBL Chandikhole Bhadrak Highways Ltd	267.80	-
		DBL Bangalore Nidagatta Highways Pvt Ltd	91.89	-
		DBL Rewa Sidhi Highways Pvt Ltd	48.24	-
			<b>15,679.42</b>	<b>4,565.87</b>
<b>4</b>	<b>Loans and Advances</b>	DBL Betul Sarni Tollways Limited	3,267.80	2,376.80
		DBL Hassan Periyapatna Tollways Limited	-	310.00
		DBL Ashoknagar Vidisha Tollways Limited	-	33.00
		DBL Hata Dargawon Tollways Limited	237.00	375.00
		DBL Hirekerur Ranibennur Tollways Limited	1,131.93	1,000.00
		DBL Jaora Sailana Tollways Limited	138.00	375.00
		DBL Mundi Sanawad Tollways Limited	298.00	733.00
		DBL Patan Rehli Tollways Limited	1,015.70	2,948.70
		DBL Sardarpur Badnawar Tollways Limited	2,168.00	2,166.00
		DBL Silwani Sultanganj Tollways Limited	72.92	24.00
		DBL Tikamgarh Nowgaon Tollways Limited	-	62.00
		DBL Uchera Nagod Tollways Limited	-	20.00
		DBL Wardha Butibori Highways Private Limited	155.00	-
		Jalpa Devi Tollways Limited	-	3,364.30
		DBL Bankhlafata Dogawa Tollways Limited	156.00	630.00
		DBL Nadiad Madosa Tollways Limited	-	140.00
		DBL Anandapuram Anakapalli Highways Private Limited	3,815.00	-
		DBL Sangli Borgaon Highways Limited	950.00	-
		DBL Kalmath Zaraph Highways Limited	(0.00)	1,667.23
		DBL Mahagaon Yavatmal Highways Private Limited	105.00	-
		DBL Lucknow Sultanpur Highways Limited	825.00	-
		DBL Tuljapur Ausa Highways Limited	130.00	383.89
		<b>Associate</b>		
		DBL Chandikhole Bhadrak Highways Ltd	8,550.00	-
		DBL Bangalore Nidagatta Highways Pvt Ltd	0.66	-
		DBL Rewa Sidhi Highways Pvt Ltd	0.33	-
			<b>23,016.34</b>	<b>16,608.93</b>
<b>5</b>	<b>Advance taken</b>	DBL Uchera-Nagod Tollways Limited	650.00	-
		Shrem Roadways Private Limited	650.00	-
			<b>1,300.00</b>	<b>-</b>
<b>6</b>	<b>Trade Payable</b>	Investment Manager	161.64	-
		Shrem Financials Private Limited	-	-
			<b>161.64</b>	<b>-</b>

**Note 24: Fair value of financial assets and liabilities**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Rs.in Lakhs)

	Particulars	Carrying value 31 <sup>st</sup> March, 2023	Fair Value 31 <sup>st</sup> March, 2023	Carrying value 31 <sup>st</sup> March, 2022	Fair Value 31 <sup>st</sup> March, 2022
	<b>Financial Asset</b>				
(a)	Carried at amortised cost				
(i)	Investment	10,38,709.83	11,29,330.79	6,66,313.66	6,78,634.24
(ii)	Trade receivable *	581.95	-	416.12	-
(iii)	Cash and cash equivalent *	11,952.25	-	1,414.95	-
(iv)	Bank balance other than cash and cash equivalent*	301.12	-	6,000.00	-
(v)	Loans	23,016.34	23,016.34	16,608.93	16,608.93
(vi)	Other financial asset	33,989.39	33,989.39	13,090.87	13,090.87
	<b>Financial Liabilities</b>				
(a)	<b>Carried at amortised cost</b>				
(i)	Borrowings	5,69,536.01	5,69,536.01	2,93,982.68	2,93,982.68
(ii)	Current maturities of long term debt	38,635.00	38,635.00	25,392.00	-
(ii)	Trade payable *	255.55	-	3.32	-
(iii)	Other financial liabilities	1,300.00	1,300.00	-	-

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

**The following methods and assumptions were used to estimate the fair values:**

\* The Company has not disclosed the fair values of trade payables, trade receivables and cash and cash equivalents because their carrying amounts are reasonable approximation of fair value.

Fair value of security deposits have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about interest rates, maturity period, credit risk, forecasted cash flows.

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the trust group is based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables. As of reporting date the carrying amounts of such receivables, net of allowances are not materially different from their calculated fair values.

Carrying value of loans from banks, other non current borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non- performance risk as at reporting date was assessed to be insignificant.

**Fair value hierarchy**

The following table provides the fair value measurement hierarchy of Company's assets and liabilities grouped into Level 1 to Level 3 as described in significant accounting policies - Note 1. Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

**Quantitative disclosures fair value measurement hierarchy for assets as at 31<sup>st</sup> March, 2023:**

(Rs.in Lakhs)

Sr. No.	Particulars	Fair value measurement using	
		Level 1	Level 2
	Assets for which fair values are disclosed		
(a)	<b>Financial assets measured at amortised cost</b>		
(i)	Investment		11,29,330.79
(ii)	Loans		23,016.34
(iii)	Other financial asset		33,989.39
(b)	<b>Financial liability measured at amortised cost</b>		
(i)	Borrowings		5,69,536.01

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:****(Rs.in Lakhs)**

Sr. No.	Particulars	Fair value measurement using	
		Level 1	Level 2
	Assets for which fair values are disclosed		
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>		
(i)	Investment		6,78,634.24
(ii)	Loans		16,608.93
(iii)	Other financial asset		13,090.87
<b>(b)</b>	<b>Financial liability measured at amortised cost</b>		
(i)	Borrowings		2,93,982.68

**Financial Risk Management**

The trust's risk Management policies are established to identify and analyse the risk faced by the trust, to set appropriate risk limit and controls, and to monitor risk and adherence to limit. Risk Management policies and system are reviewed regularly to reflect changes in market conditions and the trust activities.

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

In performing its operating, investing and financing activities, the Trust is exposed to the credit risk, Liquidity risk and Market Risk.

**Market Risk**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes investments and trade and other payables.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

**Note 25: Capital Management**

For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holder of the Trust. The primary objective of the Trust's capital management is to maximise unit holder value.

The Trust manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, Company may adjust the dividend payment/income distribution to unit holders (Subject to provisions of SEBI InvIT Regulation which require distribution of at least 90% of the Net Distributable cash flow of the Trust to unit holders) return capital to unitholder or issue new units. The Trust monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

**(Rs.in Lakhs)**

Particulars	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Loans and borrowings	6,08,171.01	3,19,374.68
Trade payables	255.55	3.32
Other financial liabilities	1,300.00	-
Less: Cash and cash equivalents	11,952.25	1,414.95
<b>Net debt</b>	<b>5,97,774.31</b>	<b>3,17,963.05</b>
Unit capital	5,06,276.12	3,76,682.96
<b>Capital and net debt</b>	<b>11,04,050.43</b>	<b>6,94,646.01</b>
Gearing ratio	54.14%	45.77%

**Note 26: SIGNIFICANT ACCOUNTING JUDGEMENT, ESTIMATES AND ASSUMPTIONS**

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

**(a) Judgement**

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

**(b) Classification of unit holders Funds**

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

**(c) Fair valuation and disclosures**

SEBI Circulars issued under the SEBI InvIT Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The valuation report and findings are discussed at the meeting of the Board of Directors on yearly basis to understand the changes in the fair value of the subsidiaries. The inputs to the valuation models are taken from observable markets, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as weighted average cost of capital, tax rates, inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

**(d) Expected Credit Loss on financial assets**

As per Ind AS 109, Financial Assets that are measured at amortised cost are required to compute the Expected Credit Loss (ECL). As at the reporting period, Investment manager of the Trust assessed the credit risk of the financial assets and concluded that the provision for ECL is sufficient.

**Note 27: Distribution made**

The investment Manager on behalf of Shrem InvIT has made following distributions

Particulars	(Rs.in Lakhs)	
	FY 2022-2023	FY 2021-22
Interest	10,275.96	2,684.86
Dividend	5,830.76	12,690.28
Return of capital	40,922.48	13,787.04
<b>Total</b>	<b>57,029.20</b>	<b>29,162.18</b>

\* Pertains to the distributions made during the financial year along with distribution related to the last quarter of FY 2021-22 and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after March 31, 2023.

The distribution by the trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT regulations.

**Note 28: Loans or advances to specified persons**

(Rs.in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Amount Outstanding*	% of total <sup>^</sup>	Amount Outstanding	% of total
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	23,016.34	100%	16,608.93	100%
<b>Total</b>	<b>23,016.34</b>	<b>100%</b>	<b>16,608.93</b>	<b>100%</b>

\* represents loan or advance in the nature of loan

<sup>^</sup> represents percentage to the total Loans and Advances in the nature of loan

**Note 29 : Other Statutory Information**

- i) The Trust have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- ii) The Trust does not hold benami property and no proceedings under Benami transaction (Prohibition) Act 1988 have been initiated against the trust
- iii) The Trust does not have any transactions with companies struck off.
- iv) The Trust have not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- v) The Trust have 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 Trust shall:
  - a) 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
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vi) The Trust have not advance or loaned or invested (either from borrowed fund or share premium or any other source or kind of fund) by the Company to or in any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:
  - a) 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
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii) The Trust did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.
- viii) The Trust has not declared a wilful defaulter by any bank/ financial institution or any other lender during the year.

**Note 30 : Subsequent event**

On May 08,2023, the board of directors of the investment manger approved seventh distribution of Rs. 2.7000 per unit which comprises of Rs. 1.3313 per unit as return of capital and 0.2493 per unit as interest and Rs.1.1194 per unit as dividend for the period January 01, 2023 to March 31, 2023 to be paid on or before fifteen days from the date of declaration.

**Note 31 : Taxes**

In accordance with section 10 (23FC) of the Income Tax Act, the income of business Fund in the form of interest received or receivable from Project SPV is exempt from tax. Accordingly, the Fund is not required to provide any current tax liability.

**Note 32**

The Trust has presented these financial information ( for all the periods presented there in ) in accordance with the requirement of Schedule III - of the Companies Act , 2013 including amendments thereto , effective from April 01,2021.

**Note 33**

Three Holding companies being the wholly owned subsidiaries of the Shrem InvIT (Shrem Infraventure Private Limited, Shrem Roadways Private Limited and Shrem Tollways Private Limited) had applied to the Hon'ble NCLT in the month of March 2022, a Scheme of Capital reduction. As per the Scheme, the shareholding layer of the Intermediary Holding companies was to be removed and the investments in SPVs held by these Intermediary Holding Companies was to be distributed to Shrem InvIT in consideration of the reduction in share capital. During the year, The Company has received an approval from NCLT for the scheme of capital reduction of holding companies.

The Company has received an approval from NCLT - for Shrem Roadways Private Limited on 14th July 2022 and Shrem Tollways Private Limited on 21<sup>st</sup> July 2022 and for Shrem Infraventure Private Limited on 03<sup>rd</sup> March, 2023 for the scheme of capital reduction.

Shrem InvIT has made the necessary filings with ROC in respect of the NCLT approval obtained. The necessary accounting treatment arising out of the same has been recorded in the Books of account. An amount of Rs.17,577.70 lakhs has been recognised as impairment in value of instrument arising on account of exchange of investments in Holding companies with the SPV.

**Note 34: Subsidiar Impairment of Assets:**

The trust has reviewed the future discounted cash flows of the intangible assets (Toll Collection Rights) and financial assets of the subsidiaries. The recoverable amount is higher than the carrying amount of the assets in the Financial Statements for all intangible assets except for the Ten project assets and accordingly impairment in value of investments of Rs.15,123.95 Lakhs has been recognised in the statement of profit and loss for the year ended March 31, 2023. An amount of Rs.17,577.70 lakhs arising on account of diminution in value of investments at the time of transfer of SPVs from Holding company to Shrem InvIT (as suitably explained in Note 33 above) is also recognised in the statement of profit and loss for the year ended March 31, 2023.

**Note 35: Acquisition of Assets**

Shrem InvIT has entered into a Term Sheet with Dilip Buildcon Limited (DBL) and DBL Infra Assets Private Limited (DIAPL) to acquire 10 road assets (of which 8 road assets has been acquired by Shrem InvIT till 31<sup>st</sup> March, 2023) owned by DBL and DIAPL for a proposed consideration of Rs.2,34,900 Lakhs. As per the Term Sheet the definitive agreements was executed on 3<sup>rd</sup> March, 2022 subject to necessary approvals from the lenders and the Authorities and the proposed consideration may undergo change based on outcome of final due diligence and other aspects in that regard.

During the quarter ended 31<sup>st</sup> December, 2022, The Trust acquired 4 SPV companies, as stated below for total consideration of Rs. 30,498.65 Lakhs (as at 31<sup>st</sup> October 2022). As at 31<sup>st</sup> October, 2022, the goodwill / gain from bargain purchase has been computed considering the equity value of the Project SPVs as at the acquisition date. 2,55,48,886 units at the price of Rs. 101.31/- per unit have been issued. The details of the same is as below:

Name of the SPV	Date of Acquisition	% of Holding
DBL Anandapuram Anakapalli Highways Private Limited (NHAI)	31 <sup>st</sup> October 2022	100%
DBL Bellary Byrapura Highways Private Limited (NHAI)	31 <sup>st</sup> October 2022	100%
DBL Gorhar Khairatunda Highways Private Limited (NHAI)	31 <sup>st</sup> October 2022	100%
DBL Sangli Borgaon Highways Limited (NHAI)	31 <sup>st</sup> October 2022	100%

During the quarter ended 31<sup>st</sup> March 2023, the Trust has acquired 4 SPV's for total consideration of Rs. 83,106.65 Lakhs for which, 7,93,75,980 units of shrem InvIT at price of Rs. 104.70 per unit have been issued. Details of SPV's are as below:

Name of the SPV	Date of Acquisition	% of Holding
DBL Byrapura Challakere Highways Private Limited (NHAI)	31 <sup>st</sup> March 2023	100%
DBL Rewa Sidhi Highways Private Limited (NHAI)	31 <sup>st</sup> March 2023	49%
DBL Bangalore Nidagatta Highways Private Limited (NHAI)	31 <sup>st</sup> March 2023	49%
DBL Chandikhole Bhadrak Highways Limited (NHAI)	24 <sup>th</sup> February 2023	49%

**Note 36: Ratio**

	<b>Ratios</b>	<b>F.Y.22-23</b>	<b>F.Y.21-22</b>
<b>i)</b>	<b><u>Current Ratio</u></b>		
	Current Assets (A)	72,024.81	43,612.91
	Current Liabilities (B)	40,308.47	25,411.39
	Current Assets/ Current Liabilities	1.79	1.72
<b>ii)</b>	<b><u>Return on Equity Ratio</u></b>		
	Net Profit (A)	1,016.90	23,558.19
	Unitholders's Equity (B)	4,99,033.73	3,84,530.39
	Net Income/ Shareholder's Equity	0.00	0.06
<b>iii)</b>	<b><u>Net profit ratio</u></b>		
	Net profit (A)	1,016.90	23,558.19
	Income (B)	57,668.33	33,597.23
	Net profit/ Income	0.02	0.70
<b>iv)</b>	<b><u>Debt service coverage ratio</u></b>		
	EBITDA	28,636.00	36,211.06
	Principal + Interest	55,662.66	30,379.17
	EBITDA/ Principal+Interest	0.51	1.19
<b>v)</b>	<b><u>Return on Capital Employed</u></b>		
	Operating Profit	27,428.25	17,633.21
	Capital Employed	11,07,204.74	6,78,513.06
	Operating Profit/ Capital Employed	0.02	0.03

**Note 37:**

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

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
 Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**  
 (As Investment Manager of Shrem InvIT)

**(S M Chitale)**

**(Partner)**

M. No. 111383

**Nitan Chhatwal**  
**Director**

DIN : 00115575

**Nikhil Pareek**  
**Director**

DIN : 07083015

**Ilaa Udeshi**  
**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

# FINANCIAL STATEMENTS

## CONSOLIDATED

### Independent Auditors' Report on Consolidated Financial Statements

To,  
The Unit holders of Shrem InvIT  
Report on the Audit of Consolidated Financial Statements

#### 1. Opinion

We have audited the accompanying consolidated financial statements of Shrem InvIT ("the Trust"), and its subsidiaries (together referred to as "the group") and its associates which comprises of Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Unit holder's Equity and the Consolidated Statement of Cash Flow for the year ended March 31, 2023 and the Consolidated Statement of Net Assets at fair value as at March 31, 2023 and the consolidated Statement of Total Returns at fair value and the statement of net distributable cash flows ('NDCF's') of the trust and each of its subsidiaries and its Associates for the year ended and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and its associates the aforesaid Consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015, as amended ("IndAS") and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI InvIT Regulations, of the consolidated state of affairs of the group and its associates as at March 31, 2023, its consolidated profit and total comprehensive income, its consolidated statement of changes in unitholder's equity, for the year ended March 31, 2023, its consolidated net assets at fair value as at 31<sup>st</sup> March 2023, its consolidated total returns at fair

value of the Group and the net distributable cash flows of the Trust and each of its subsidiaries and associates for the year ended March 31, 2023.

#### 2. Basis for Opinion

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

#### 3. Emphasis of Matter

We draw your attention to Note 25.5 of the Consolidated Financial Statement which explain that the subsidiary Companies has created debentures redemption reserve as required under section 74 of the Companies Act, 2013 read with rule 18 of Companies (Share Capital and Debentures) Rules, 2014 except for ten subsidiary companies which have not created debentures redemption reserve on account of losses and three subsidiary companies which has partially created debentures redemption reserve due to inadequacy of profit.

Our opinion is not modified in respect of this matter.

#### 4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors Response
1	<p><b>Assessing Impairment of intangible assets</b></p> <p>In Accordance with accounting Policy and requirement under IND AS 36 "Impairment of Assets", the Management has performed an impairment assessment whether there are any indicators of impairment of Intangible assets by comparing the carrying value of these toll collection rights to their recoverable amount to determine whether impairment needs to be recognized.</p> <p>For impairment testing, value in use has been determined by forecasting and discounting future cash flows. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projections for revenues and discounting rates. The determination of the recoverable amount from toll collection rights involves significant judgment and accordingly, the evaluation of impairment of toll collection rights has been determined as a key audit matter.</p> <p>Refer Notes 3(b) of Consolidated Financial Statements.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>- Assessed the appropriateness of the Trusts valuation methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity, independence and competency of specialists involved in the process.</li> <li>- Assessed the assumptions around the key drivers of the cash flow forecasts, discount rates, revenue projection based on the independent expert traffic study reports, etc. by management and independent valuer, including considerations due to current economic and market conditions including effects of COVID-19 pandemic</li> <li>- Assessed the appropriateness of the weighted average cost of capital used in the determining recoverable amount by engaging valuation expert;</li> <li>- Evaluated potential changes in key assumptions as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable, including considerations due to current economic and market conditions</li> <li>- Test the arithmetical accuracy of the model.</li> </ul>
2	<p><b>Toll revenue in respect of toll collection</b></p> <p>The Group's right to collect toll under the concession agreement with National Highway (NHAI) Authority of India/state highway Department of the respective state falls within the scope of Appendix C of Ind AS 115, "Service Concession Arrangements".</p> <p>The Group operates and earns revenue by collecting toll on the road constructed. This involves cash collection and automated toll collection using equipment installed at various toll plazas for correctly identifying vehicle type, calculating fare based on the same. The Group uses information technology systems for the purpose of billing and collection of toll and is dependent on the related automated and IT dependent controls</p> <p>Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the consolidated financial statements.</p> <p>Refer note 19 of consolidated financial statements.</p>	<p><b>Our audit procedures include the following :</b></p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the processes and control placed for toll collection and evaluating the key controls around such process and testing those controls for the operating effectiveness</li> <li>- Verified the reconciliation of toll collection as per transaction report (generated from toll system) with cash deposited in bank, amount collected by other modes of payment and revenue recorded in the books.</li> <li>- On test check basis, traced the daily collection from bank statement to daily toll collected and the revenue recorded in the books.</li> <li>- Performed analytical procedures on transactions to detect unusual transactions for further examination.</li> <li>- Performed revenue cut off procedures</li> </ul>
3	<p><b>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value</b></p> <p>As per the provisions of InvIT Regulations, the Trust is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to</p>	<p><b>Our audit procedures include the following :</b></p> <ul style="list-style-type: none"> <li>- Read the requirements of SEBI InvIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.</li> </ul>

Sr. No.	Key Audit Matter	Auditors Response
	<p>the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.</p> <p>Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the Consolidated financial statements.</p>	<ul style="list-style-type: none"> <li>- Assessed the appropriateness of independent valuer’s and management’s valuation methodology applied in determining the fair values</li> <li>- Tested controls implemented by management to determine inputs for fairvaluation as well as assumptions used in the fair valuation.</li> <li>- We have relied on the valuation report issued by the independent valuer appointed by the Investment Manager in accordance with SEBI InvIT Regulations.</li> </ul>

**5. Information other than consolidated financial statements and Auditor’s report thereon**

The Board of Directors of Shrem Financial Private Limited (‘Investment Manager’) is responsible for the other information. The other information comprises the information included in the Report of investment manager including annexure to the investment manager and other information required to be given by SEBI InvIT Regulation, but does not include the consolidated financial statements and our auditor’s report thereon. The other information 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 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 in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

**6. Responsibilities of the Board of Directors of Investment Manager for the Consolidated Financial Statements**

The Board of Directors of Shrem Financial Private Limited (‘Investment Manager’) is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position as at March 31, 2023, consolidated financial performance including other comprehensive income, consolidated movement of unit holder’s Equity and consolidated cash flows for the year ended March 31, 2023, and its consolidated total returns at fair value and the net distributable cash flows of the trust, its subsidiaries

and associates for the year ended 31<sup>st</sup> March 2023 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and any addendum thereto as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the ‘InvIT Regulations’).

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

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

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

## 7. Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on auditing 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 Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) 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.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Trust 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 Trust to cease to continue as a going concern.

- v) 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.
- vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For companies included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

## 8. Other Matters

We did not audit the financial statements of twelve subsidiaries, whose financial statements reflect total Assets (before elimination inter group transaction) of Rs.6,05,041.14 as at 31<sup>st</sup> March, 2023, total revenues of Rs.1,07,817.32 lakhs (before eliminating intra group transactions) for the year

ended March 31, 2023 and total profit after taxes (net) Rs.49,488.13 lakhs (before eliminating intra group transactions) for year ended March 31, 2023. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary is based solely on the reports of the other auditors.

The Statement also includes the Group's share of profit after tax of Rs.339.54 Lakhs and Total comprehensive income of Rs. 339.54 Lakhs for the year ended March 31, 2023, in respect of three associates. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on the report of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

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

## 9. 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) In our opinion, proper books of accounts as required relating to preparation of the aforesaid consolidated financial statements have been kept by the Trust so far as it appears from our examination of those books;
- c) The Balance Sheet, and Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Unit holder's Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account of the Trust; and
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (Ind AS) and any addendum thereto, as amended to the extent not inconsistent with SEBI InvIT Regulations

**For Mukund M. Chitale & Co.  
Chartered Accountants**

Firm Registration No. 106655W

**S. M. Chitale  
Partner**

M. No. 111383

UDIN: 23111383BGTWHI6836

Place: Mumbai

Date: 8<sup>th</sup> May, 2023

# Consolidated Balance Sheet as at 31<sup>st</sup> March, 2023

(Rs.in Lakhs)

Particulars		Notes	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I</b>	<b>ASSETS</b>			
	<b>(1) Non-current assets</b>			
	(a) Property, plant and equipment	3 (a)	48.79	44.07
	(b) Goodwill		2,16,380.26	2,80,304.84
	(c) Other intangible assets	3 (b)	80,596.11	86,357.79
	(e) Financial assets			
	(i) Investments	4	2,40,436.41	45,713.25
	(ii) Trade receivables	5	5,06,724.30	3,22,531.24
	(iii) Loans	6	-	-
	(iv) Other Financial Assets	7	20,118.79	8,074.35
	(f) Deferred tax assets	18	14,463.64	0.60
	(g) Other non-current asset	8	20,885.45	10,999.32
	<b>Total non-current assets</b>		<b>10,99,653.75</b>	<b>7,54,025.46</b>
	<b>(2) Current assets</b>			
	(a) Inventories			
	(b) Financial assets			
	(i) Investments	4	8,584.51	-
	(ii) Trade receivables	5	66,177.71	48,564.52
	(iii) Cash and cash equivalent	9	18,812.69	2,992.45
	(iv) Bank balances other than (iii) above	10	301.85	6,672.75
	(v) Loans	6	8,551.74	-
	(iv) Other Financial Assets	7	2,902.34	1,664.71
	(c) Current Tax Assets (Net)	11	3,005.02	1,753.73
	(d) Other current assets	8	39,129.34	24,332.76
	<b>Total current assets</b>		<b>1,47,465.20</b>	<b>85,980.92</b>
	<b>TOTAL ASSETS</b>		<b>12,47,118.95</b>	<b>8,40,006.39</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Unit Capital	12(a)	5,06,276.12	3,76,682.96
	(b) Other equity	12(b)	50,932.38	64,851.30
	<b>Total Equity</b>		<b>5,57,208.50</b>	<b>4,41,534.26</b>
	(c) Non-controlling Interest		5,901.56	7,056.40
	<b>Total Equity</b>		<b>5,63,110.06</b>	<b>4,48,590.66</b>
	<b>Liabilities</b>			
	<b>(1) Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	13	5,72,257.01	2,93,982.67
	(ii) Trade payable			
	total outstanding dues of micro and small enterprises		-	-
	total outstanding dues of creditors other than micro and small enterprises	14	-	-
	(iii) Other financial liabilities	15	6,000.65	14,837.33
	(b) Provisions	16	33,582.23	18,408.76
	(c) Other non-current liabilities	17	-	-
	<b>Total non-current liabilities</b>		<b>6,11,839.89</b>	<b>3,27,228.76</b>

(Rs.in Lakhs)

Particulars		Notes	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(2) Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	13	35,914.00	26,811.36	
(ii) Trade payable				
total outstanding dues of micro and small enterprises				
total outstanding dues of creditors other than micro and small enterprises	14	15,526.20	19,794.23	
(iii) Other financial liabilities	15	16,710.48	16,823.75	
(b) Other current liabilities	17	1,142.42	103.07	
(c) Provisions	16	2,875.90	654.56	
<b>Total current liabilities</b>		<b>72,169.00</b>	<b>64,186.97</b>	
<b>TOTAL LIABILITIES</b>		<b>6,84,008.89</b>	<b>3,91,415.73</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,47,118.95</b>	<b>8,40,006.39</b>	

The notes referred to above form an intergral part of financial statements **1 to 38**

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**

Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**

(As Investment Manager of Shrem InvIT)

**(S M Chitale)**

**(Partner)**

M. No. 111383

**Nitan Chhatwal**  
**Director**

DIN: 00115575

**Nikhil Pareek**  
**Director**

DIN : 07083015

**Ilaa Udeshi**

**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

# Consolidated Statement of Profit And Loss for the year ended 31<sup>st</sup> March 2023

(Rs.in Lakhs)

Particulars		Notes	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept 21 to 31 <sup>st</sup> March 22
	<b>Income</b>			
(I)	Revenue from Operations	19	1,38,433.00	57,058.46
(II)	Other income	20	4,958.24	1,676.32
<b>(III)</b>	<b>Total Income (I+II)</b>		<b>1,43,391.24</b>	<b>58,734.78</b>
	<b>(IV) Expenses</b>			
	Investment Manager Fees	25.4	1,247.90	627.33
	Cost of Construction/Operation and Management Expenses	21	17,134.79	3,641.00
	Employee benefits expense	22	15.55	13.66
	Finance costs	23	27,682.15	13,077.18
	Depreciation and amortization expense	24	5,770.78	3,029.62
	Impairment in value of investments (refer Note 36)		32,701.65	-
	Other expenses	25	13,612.36	8,909.88
	<b>Total expenses (IV)</b>		<b>98,165.18</b>	<b>29,298.67</b>
(V)	Profit/(loss) before exceptional items and tax (III-IV)		45,226.06	29,436.11
(VI)	Extraordinary items		-	-
<b>(VII)</b>	<b>Profit / (loss) before tax (V) - (VI)</b>		<b>45,226.06</b>	<b>29,436.11</b>
<b>(VIII)</b>	<b>Tax expenses</b>			
(1)	Current tax		133.49	(222.15)
(2)	Deferred tax-charge/(credit)		(3,209.16)	(102.40)
(3)	Income tax of earlier year		(45.38)	(103.04)
<b>(IX)</b>	<b>Profit (Loss) for the year from continuing operations (VII - VIII)</b>		<b>48,347.11</b>	<b>29,863.70</b>
(X)	Less: Share of Profit / (loss) of Pre-acquisition Period		-	-
(XI)	Add: Share of Profit/(Loss) of Associates		339.54	-
<b>(XII)</b>	<b>Net Profit (Loss) for the year (IX-X+XI)</b>		<b>48,686.65</b>	<b>29,863.70</b>
(XIII)	Profit / (loss) for the year attributable to:			
(a)	Owners of Parent		48,399.86	29,195.99
(b)	Non-controlling Interest		286.79	667.71
<b>(XIV)</b>	<b>Other Comprehensive Income</b>			
A	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>(XV)</b>	<b>Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year) (XIII (a)-XIV)</b>		<b>48,399.86</b>	<b>29,195.99</b>
<b>(XVI)</b>	<b>Earnings per units (for continuing operations)</b>			
(1)	Basic	26	11.18	7.48
(2)	Diluted		11.18	7.48

The notes referred to above form an integral part of financial statements **1 to 38**

As per our Report of even date

**For Mukund M. Chitale & Co.**

**Chartered Accountants**

Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**

**Shrem Financial Private Limited**

(As Investment Manager of Shrem InvIT)

**(S M Chitale)**

**(Partner)**

M. No. 111383

**Nitan Chhatwal**

**Director**

DIN: 00115575

**Nikhil Pareek**

**Director**

DIN : 07083015

**Ilaa Udeshi**

**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

# Consolidated Statement of Cashflow for the financial year ended 31<sup>st</sup> March, 2023

(Rs. in Lakhs)

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES:</u></b>		
	<b>Net Profit before tax as per Profit &amp; Loss Account</b>	<b>45,226.06</b>	<b>29,436.13</b>
	<b>Adjusted for:</b>		
	Depreciation & Amortisation	5,770.78	3,029.62
	Interest Income	(4,688.17)	(1,365.74)
	Profit of NCI	(286.79)	
	Finance Cost	27,682.15	13,077.17
	<b>Operating Profit before Working Capital Changes</b>	<b>73,704.03</b>	<b>44,177.18</b>
	<b>Movements in working capital:</b>		
	(Increase)/Decrease in Trade receivable	(2,01,806.25)	(3,71,103.83)
	(Increase)/Decrease in Financial Assets	(6,911.18)	(7,695.55)
	(Increase)/Decrease in other Non Current Aseets & current Assets	(25,934.00)	(36,171.32)
	Increase/(Decrease) in Trade Payable	(4,268.04)	19,794.23
	(Increase)/Decrease in others	(14,463.03)	(1,753.93)
	Increase/(Decrease) in Other financial Liabilities	(8,949.95)	23,515.45
	Increase/(Decrease) in provision	17,394.80	19,063.34
	Increase/(Decrease) in Current and Non Current Liabilities	1,039.34	379.71
	Net cash from Operating Activities before Income Tax	(1,70,194.26)	(3,09,794.72)
	Income tax paid	(3,121.05)	(427.59)
	<b>Net Cash from Operating Activities</b>	<b>(1,67,073.21)</b>	<b>(3,10,222.31)</b>
<b>B</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES:</u></b>		
	Purchase of Tangible and Intangible Assets	16,596.61	(3,18,518.80)
	Investment made during the year	(2,03,307.66)	(45,713.25)
	Interest Income	4,688.17	1,365.74
		-	-
	<b>Net cash used in Investing Activities</b>	<b>(1,82,022.88)</b>	<b>(3,62,866.31)</b>
<b>C</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES:</u></b>		
	Proceed from issue of Share Units including Share Premium	1,70,515.64	3,90,470.00
	Return of capital by way of distribution	(40,922.48)	(13,787.04)
	Loan Given	(8,551.74)	-
	Proceeds/(Repayment) of Borrowings	2,87,376.99	3,20,794.03
	Distribution to unitholders	(16,106.72)	(15,375.14)
	Finance Cost	(27,682.15)	(13,077.17)
	Share of Non-controlling Interest/Acquisition of Subsidiaries	286.79	7,056.40
	<b>Net Cash from / (used in) Financing Activities</b>	<b>3,64,916.33</b>	<b>6,76,081.08</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>15,820.24</b>	<b>2,992.45</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>2,992.45</b>	<b>-</b>
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>18,812.69</b>	<b>2,992.45</b>

1 **Components of Cash and Cash Equivalents:** **(Rs. in Lakhs)**

	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>
Cash on hand	41.38	11.06
Balance with Banks	18,646.18	1,925.12
Deposit with original maturity of less than 3 months	125.13	1,056.27
<b>Total Cash and Cash Equivalents (Refer Note 9)</b>	<b>18,812.69</b>	<b>2,992.45</b>

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

3 **Reconciliation Between opening and closing balances for liabilities arising from financing activities (including current maturities):-**

	<b>(Rs. in Lakhs)</b>
<b>Particulars</b>	<b>Borrowing</b>
<b>Balance as on 31<sup>st</sup> March 2021</b>	-
Cash flow	
Interest	(12,549.01)
net of Proceed and repayment	3,22,026.36
Accrual	12,548.30
<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>3,22,025.64</b>
Cash flow	
Interest	(27,910.73)
net of Proceed and repayment	2,65,871.17
Accrual	49,964.88
<b>Balance as on 31<sup>st</sup> March 2023</b>	<b>6,09,950.95</b>

The notes referred to above form an intergral part of financial statements **1 to 38**

As per our Report of even date

**For Mukund M. Chitale & Co.**

Chartered Accountants

Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**

**Shrem Financial Private Limited**

(As Investment Manager of Shrem InvIT)

**(S M Chitale)**

**(Partner)**

M. No. 111383

**Nitan Chhatwal**

**Director**

DIN: 00115575

**Nikhil Pareek**

**Director**

DIN : 07083015

**Ilaa Udeshi**

**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

## Consolidated Statement Of Changes In Unit Holder's Equity For The Year Ended March 31, 2023

### A. Unit Capital

Particulars	No of Units	(Rs.in Lakhs)
		Amount
Balance as on 1 <sup>st</sup> April, 2021	-	-
Issue of Capital	39,04,70,000.00	3,90,470.00
Return of unit Capital * (Refer note 31)	-	(13,787.04)
<b>Balance as on 31<sup>st</sup> March, 2022</b>	<b>39,04,70,000.00</b>	<b>3,76,682.96</b>
Balance as on 1 <sup>st</sup> April, 2022	39,04,70,000.00	3,76,682.96
Issue of Capital	16,56,54,717.00	1,70,515.64
Return of unit Capital * (Refer note 31)	-	(40,922.48)
<b>Balance as on 31<sup>st</sup> March, 2023</b>	<b>55,61,24,717.00</b>	<b>5,06,276.12</b>

\*During the year company has distributed return of capital Rs.9.912 per unit (F.Y.2021-22 Rs.3.531 per unit distributed return of capital which does not include distribution for the last quarter as same paid in May 2022). Distribution in respect of return of capital for the F.Y.2022-23 does not include distribution declared for the period 1<sup>st</sup> January, 2023 to 31<sup>st</sup> March, 2023.

### B. Other equity

Particulars	Reserves and Surplus		Total
	Retained Earnings	Capital Reserve	
	<b>Balance as on 31<sup>st</sup> March, 2023 (Rs. in Lakhs)</b>		
<b>Opening Balance</b>	13,485.23	51,366.07	64,851.30
Profit or (loss) for the period	48,399.86	-	48,399.86
Reversal of excess share of profit of NCI	1,441.63	-	1,441.63
reversal of capital reserve	-	(51,366.07)	(51,366.07)
Capital reserve	-	3,712.37	3,712.37
Distributions made to the unit holder during the year*	(16,106.72)	-	(16,106.72)
<b>Balance as on 31<sup>st</sup> March, 2023</b>	<b>47,220.01</b>	<b>3,712.37</b>	<b>50,932.38</b>

Particulars	Reserves and Surplus		Total
	Retained Earnings	Capital Reserve	
	<b>Balance as on 31<sup>st</sup> March, 2022 (Rs. in Lakhs)</b>		
<b>Opening Balance</b>	-	-	-
Pre Acquisition profit of Shrem InvIT	(335.62)	-	(335.62)
- Profit or (loss) for the year	29,195.99	-	29,195.99
- Distributions made to the unit holder during the year *	(15,375.14)	-	(15,375.14)
- Capital Reserve	-	51,366.07	51,366.07
<b>Balance as on 31<sup>st</sup> March, 2022</b>	<b>13,485.23</b>	<b>51,366.07</b>	<b>64,851.30</b>

\* The distribution by the trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT regulations.

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**  
(As Investment Manager of Shrem InvIT)

**(S M Chitale)**  
**(Partner)**  
M. No. 111383

**Nitan Chhatwal**  
**Director**  
DIN: 00115575

**Nikhil Pareek**  
**Director**  
DIN : 07083015

**Ilaa Udeshi**  
**Company Secretary**

Place : Mumbai  
Date : 8<sup>th</sup> May, 2023

**SHREM INVIT**  
**SEBI Registration Number IN /InvIT/20-21/ 0017**  
**Disclosures Pursuant to SEBI Circulars**

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

**a. Statement of Net Asset at Fair Value**

( Rs in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	Book Value	Fair Value	Book Value	Fair Value
<b>A. Assets</b>	12,47,118.95	12,75,967.71	8,40,006.39	7,23,880.00
<b>B. Liabilities</b>	6,84,008.89	6,85,788.84	3,91,415.73	3,30,050.00
<b>C. Net Assets ( A-B)</b>	5,63,110.06	5,90,178.88	4,48,590.66	3,93,830.00
<b>D. Number of Units ( In Lakhs)</b>	5,561.25	5,561.25	3,904.70	3,904.70
<b>E. NAV (C/D) ( Amount in Rs)</b>	101.26	106.12	114.88	100.86

**Project wise break up of fair value of total assets:**

( Rs in Lakhs)

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A)</b>	<b>Investment in Subsidiaries</b>		
	i) Suryavanshi Infrastructure Private Limited	2,735.12	2,900.00
	ii) DBL Nadiad Modasa Tollways Limited	8,486.62	10,740.00
	iii) DBL Jaora-Sailana Tollways Limited	6,843.05	8,300.00
	iv) DBL Bankhlaftata-Dogawa Tollways Limited	5,280.03	6,450.00
	v) DBL Mundargi Harapanahalli Tollways Limited	6,310.31	8,640.00
	vi) DBL Hassan- Periyapatna Tollways Limited	10,357.62	13,690.00
	vii) DBL Hirekerur Ranibennur Tollways Limited	7,671.81	10,470.00
	viii) DBL Sardarpur Badnawar Tollways Limited	2,014.68	2,810.00
	ix) DBL Silwani - Sultanganj Tollways Limited	4,799.90	6,330.00
	x) DBL Mundisanawad Tollways Limited	4,872.49	6,210.00
	xi) DBL Sitamau- Suwasara Tollways Limited	2,256.86	3,300.00
	xii) DBL Uchera-Nagod Tollways Limited	6,734.99	8,120.00
	xiii) DBL Ashoknagar-Vidisha Tollways Private Limited	3,752.79	4,430.00
	xiv) DBL Betul-Sarni Tollways Limited	14,694.73	17,730.00
	xv) DBL Tikamgarh- Nowgaon Tollways Limited	7,874.69	9,240.00
	xvi) DBL Hatadargawon Tollways Limited	5,831.02	6,810.00
	xvii) DBL Patan Rehli Tollways Limited	17,971.37	22,080.00
	xviii) DBL Lucknow Sultanpur Highways Limited	1,01,064.10	1,00,850.00
	xix) DBL Kalmath Zarap Highways Limited	39,851.27	39,510.00
	xx) DBL Yavatmal Wardha Highways Private Limited	37,910.73	38,550.00
	xxi) DBL Mahagaon Yavatmal Highways Private Limited	48,611.84	48,670.00
	xxii) DBL Wardha Butibori Highways Private Limited	44,493.97	45,710.00
	xxiii) DBL Tuljapur Ausa Highways Limited	35,676.75	36,110.00
	xxiv) Jalpa Devi Tollways Limited	1,96,962.06	2,02,470.00
	xxv) DBL Anandapuram Anakapalli Highways Private Limited	96,965.23	-
	xxvi) DBL Sangli Borgaon Highways Limited	64,529.71	-
	xxvii) DBL Gorhar Khairatunda Highways Private Limited	41,384.35	-
	xxviii) DBL Bellary Byrapura Highways Private Limited	46,993.40	-
	xxix) DBL Byrapura Chalakere Highways Private Limited	31,260.50	-
	xxx) Shrem Infraventure Private Limited	178.23	-
	xxxi) Shrem Roadways Private Limited	80.42	-
	xxxii) Shrem Tollway Private Limited	15.72	-
	<b>Total</b>	<b>9,04,466.37</b>	<b>6,60,120.00</b>

(Rs in Lakhs)

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>B)</b>	<b>Investment in Associates</b>		
	i) DBL Chandikhole Bhadrak Highways Ltd	39,034.99	-
	ii) DBL Rewa Sidhi Highways Pvt Ltd	30,104.58	-
	iii) DBL Bangalore Nidagatta Highways Pvt Ltd	60,900.77	-
	<b>Total</b>	<b>1,30,040.34</b>	<b>-</b>
<b>C)</b>	<b>Assets in Shrem InvIT Fund</b>	2,63,445.16	63,760.00
	<b>Total Assets</b>	<b>12,97,951.88</b>	<b>7,23,880.00</b>

## b. Statement of Total Returns at Fair Value

(Rs in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Total Comprehensive Income</b>	48,399.86	29,195.99
<b>(As per the Statement of Profit and Loss)</b>		
<b>Add/(less): Other Changes in Fair Value</b>	27,068.82	(54,760.66)
<b>Comprehensive Income</b>	<b>75,468.68</b>	<b>(25,564.67)</b>

## Note:

1. Fair value of assets as at March 31, 2023 and as at March 31, 2022 and other changes in fair value for the year then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under Regulation 21 of the InvIT Regulations.

As per our Report of even date

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**

Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of**  
**Shrem Financial Private Limited**

(As Investment Manager of Shrem InvIT)

**(S M Chitale)**  
**(Partner)**

M. No. 111383

**Nitan Chhatwal**  
**Director**

DIN : 00115575

**Nikhil Pareek**  
**Director**

DIN : 07083015

**Ilaa Udeshi**  
**Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May 2023

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2023****1. Trust Information and nature of Operations**

Shrem InvIT incorporated as an irrevocable Trust under the provisions of the Indian Trusts Act, 1882 on December 31, 2020 and registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulation, 2014 on February 04, 2021 having registration number IN/InvIT/20-21/0017.

The Fund is settled by the Sponsor, Shrem Infra Structure Private Limited (the "Sponsor"), an infrastructure development company in India. The Trustee to the Fund is Axis Trustee Services Limited (the "Trustee"). Investment manager for the Fund is Shrem Financial Private Limited (the "Investment Manager").

As at March 31, 2023, the trust has following project entities namely,

- 1) Shrem Infraventure Private Limited (Subsidiary Company)
- 2) Shrem Roadways Private Limited (Subsidiary Company)
- 3) Shrem Tollways Private Limited (Subsidiary Company)
- 4) Suryavanshi Infrastructure Private Limited (Subsidiary Company)
- 5) DBL Nadiad Modasa Tollways Limited (Subsidiary Company)
- 6) DBL Jaora-Sailana Tollways Limited (Subsidiary Company)
- 7) DBL Bankhlfata-Dogawa Tollways Limited (Subsidiary Company)
- 8) DBL Mundargi Harapanahalli Tollways Limited (Subsidiary Company)
- 9) DBL Hassan- Periyapatna Tollways Limited (Subsidiary Company)
- 10) DBL Hirekerur Ranibennur Tollways Limited (Subsidiary Company)
- 11) DBL Sardarpur Badnawar Tollways Limited (Subsidiary Company)
- 12) DBL Silwani - Sultanganj Tollways Limited (Subsidiary Company)
- 13) DBL Mundi sanawad Tollways Limited (Subsidiary Company)
- 14) DBL Sitamau- Suwasara Tollways Limited (Subsidiary Company)
- 15) DBL Uchera-Nagod Tollways Limited (Subsidiary Company)
- 16) DBL Ashoknagar-Vidisha Tollways Limited (Subsidiary Company)
- 17) DBL Betul-Sarni Tollways Limited (Subsidiary Company)
- 18) DBL Tikamgarh- Nowgaon Tollways Limited (Subsidiary Company)
- 19) DBL Hata dargawon Tollways Limited (Subsidiary Company)
- 20) DBL Patan Rehli Tollways Limited (Subsidiary Company)
- 21) DBL Lucknow Sultanpur Highways Limited (Subsidiary Company)
- 22) DBL Kalmath Zarap Highways Limited (Subsidiary Company)
- 23) DBL Yavatmal Wardha Highways Private Limited (Subsidiary Company)
- 24) DBL Mahagaon Yavatmal Highways Private Limited (Subsidiary Company)
- 25) DBL Wardha Butibori Highways Private Limited (Subsidiary Company)
- 26) DBL Tuljapur AUSA Highways Limited (Subsidiary Company)
- 27) Jalpa Devi Tollways Limited (Subsidiary Company)
- 28) DBL Anandapuram Anapakalli Highways Private Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 29) DBL Bellary Byrapura Highways Private Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 30) DBL Gorhar Khairtunda Highways Private Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 31) DBL Sangli Bargaon Highways Limited (Subsidiary Company on 31<sup>st</sup> October 2022)
- 32) DBL Byrapura Challakere Highways Private Limited (Subsidiary Company on 31<sup>st</sup> March 2023)
- 33) DBL Rewa Sidhi Highways Private Limited (Associate on 31<sup>st</sup> March 2023)
- 34) DBL Bangalore Nidagatta Highways Private Limited ( Associate on 31<sup>st</sup> March 2023)
- 35) DBL Chandikhole Bhadrak Highways Limited (Associate on 24<sup>th</sup> February 2023)

The consolidated financial statements comprises financial statements of Shrem InvIT (InvIT) and its subsidiaries (collectively, the group)

## 2. Significant Accounting Policy

### 2.1 Basis of Preparation of financials statement

The consolidated financial statements of the trust have been prepared in accordance with Indian Accounting standards as defined in Rule 2(1)(a) of the companies (Indian Accounting standards) Rules, 2015, as amended, prescribed under section 133 of the companies Act, 2013 ("Ind AS") read with securities exchange Board of India and circulars issues thereunder ("SEBI InvIT regulations") and other accounting principles generally accepted in India.

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

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

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

#### Basis of consolidation

### 2.2 Use of estimates and judgements:

The preparation of consolidated 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 consolidated 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.

### 2.3 Summary of significant accounting policies

#### 1) Current Versus non current classification

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

##### An asset is treated as current when it is:

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

All other assets are classified as non-current.

##### A liability is current when:

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

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

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

## 2) Revenue Recognition

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

### Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rates applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

### Dividend Income

Dividends are recognised when the Trust's right to receive the payment is established, which is generally when shareholders approve the dividend.

### Other Income

Other Income - Fair value gains on current investments carried at fair value are included in other income.

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

## 3) Property, plant and equipment and Depreciation

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Trust. Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Freehold land is not depreciated. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

## 4) Intangible Assets

### Other Intangible Assets

Intangible assets that the Trust controls and from which it expects future economic benefits are capitalised upon acquisition at cost comprising the purchase price and directly attributable costs to prepare the assets for its intended use. Intangible assets that have finite lives are amortised over their useful lives by the straight line method.

### Subsequent costs:

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

### Amortisation:

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of an intangible asset in a service concession arrangement is a period from when the trust has right to charge the user of infrastructure for such use to the end of the concession period.

## 5) Financial Instruments:

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

## **Financial Assets**

### **Initial Recognition**

The trust recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

### **Subsequent measurement**

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.

### **Derecognition**

The trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the trust neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

### **Impairment of financial asset**

For impairment of financial assets, trust applies expected credit loss (ECL) model. Following financial assets and credit risk exposure are covered within the ECL model:

Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance.

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The trust follows 'simplified approach' for recognition of impairment loss allowance on trade receivables including receivables recognised under service concession arrangements.

The application of simplified approach does not require the trust to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the trust determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, then the impairment loss is provided based on lifetime ECL.

## **Financial liabilities**

### **Initial recognition**

The trust initially recognises borrowings, trade payables and related financial liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the trust becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities are initially recognised at fair value, net of transaction costs incurred.

### **Subsequent measurement**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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.

### **Derecognition**

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

**Offsetting of financial instruments**

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

**6) Cash and Cash Equivalent**

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

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

**7) Major Maintenance expenses**

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

**8) Provisions and Contingencies**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not provided for and are disclosed by way of notes.

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

**9) Borrowing Cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**10) Earnings per Unit**

Basic earnings per unit is computed using the net profit or loss for the year attributable to the unit holders and weighted average number of units outstanding during the year. Diluted earnings per unit is computed using the net profit or loss for the year attributable to the unit holders and weighted average number of equity and potential units outstanding during the year, except where the result would be anti-dilutive.

**11) Cash Flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the trust are segregated.

**12) Income Taxes****Current Tax**

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

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Investment Manager periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deffered Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The trust offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

### 13) Assets Held for Sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable.

Assets designated as held for sale are held at the lower of carrying amount at designation and fair value less costs to sell.

### 14) 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:

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

The principal or the most advantageous market must be accessible by the trust. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers 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.

The trust uses valuation techniques 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.

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

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

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

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

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

### 15) Investment in subsidiaries

Investments (equity instruments as well as subordinate debt) in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

**16) Distribution to unit holders**

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

**17) Earning per unit**

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

**Note 3 a : Property, plant and equipment Year Ended 31<sup>st</sup> March 2023****(Rs.in Lakhs)**

Particulars	Toll Camera	Office Equipment	Electric Equipment	Computer and Printer	Toll Management System	Office Furniture	Land	Vehicle	Total
<b>As at April 01,2021</b>	-	-	-	-	-	-	-	-	-
Additions	3.24	38.04	6.61	7.48	33.12	7.50	-	3.22	99.21
<b>As at April 01,2022</b>	3.24	38.04	6.61	7.48	33.12	7.50	-	3.22	99.21
Additions		0.20					5.50	8.14	13.84
<b>As at March 31,2023</b>	<b>3.24</b>	<b>38.24</b>	<b>6.61</b>	<b>7.48</b>	<b>33.12</b>	<b>7.50</b>	<b>5.50</b>	<b>11.36</b>	<b>113.05</b>
<b>Depreciation</b>									
<b>As at April 01,2021</b>	-	-	-	-	-	-	-	-	-
Change for the year	3.24	18.84	6.61	4.55	15.73	2.95	-	3.22	55.14
<b>As at April 01,2022</b>	<b>3.24</b>	<b>18.84</b>	<b>6.61</b>	<b>4.55</b>	<b>15.73</b>	<b>2.95</b>	-	<b>3.22</b>	<b>55.14</b>
Change for the year		2.83		1.73	3.83	0.72	-		9.10
<b>As at March 31,2023</b>	<b>3.24</b>	<b>21.67</b>	<b>6.61</b>	<b>6.28</b>	<b>19.56</b>	<b>3.67</b>	-	<b>3.22</b>	<b>64.24</b>
<b>Net Block</b>									
<b>As at March 31, 2023</b>	0.00	16.57	0.00	1.20	13.56	3.84	5.50	8.14	48.79
<b>As at March 31, 2022</b>	0.00	19.20	0.00	2.93	17.39	4.55	-	-	44.07

**Note 3 b : Other intangible assets Year Ended 31 March 2023****(Rs.in Lakhs)**

Particulars	Toll Rights	Total
<b>As at April 01,2021</b>	-	-
Additions	89,332.26	89,332.26
<b>As at April 01,2022</b>	<b>89,332.26</b>	<b>89,332.26</b>
Additions		-
<b>As at March 31,2023</b>	<b>89,332.26</b>	<b>89,332.26</b>
<b>Depreciation</b>		
<b>As at April 01,2021</b>	-	-
Change for the year	2,974.47	2,974.47
<b>As at April 01,2022</b>	<b>2,974.47</b>	<b>2,974.47</b>
Change for the year	5,761.68	5,761.68
<b>As at March 31,2023</b>	<b>8,736.15</b>	<b>8,736.15</b>
<b>Net Block</b>		
<b>As at March 31,2023</b>	<b>80,596.11</b>	<b>80,596.11</b>
<b>As at March 31,2022</b>	<b>86,357.79</b>	<b>86,357.79</b>

**Note 4 : Investment**

(Rs.in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of shares / NCD/Bonds	As at 31 <sup>st</sup> March, 2023	No of shares / NCD/Bonds	As at 31 <sup>st</sup> March, 2022
<b>Non-Current</b>				
(i) <b>Investments in Equity Instruments</b>				
<b>In Associates</b>				
DBL Chandikhole Bhadrak Highways Ltd	1,93,572	2,450.00	-	-
<b>Add:- Share of profit from Associate</b>		339.54	-	-
DBL Bangalore Nidagatta Highways Pvt Ltd	1,58,095	8,149.68	-	-
DBL Rewa Sidhi Highways Pvt Ltd	78,210	5,527.20	-	-
<b>Total (i)</b>	<b>4,29,877</b>	<b>16,466.42</b>	<b>-</b>	<b>-</b>
(ii) <b>Investment in NCDs - Associate</b>				
13% Bangalore Nidagatta Highways Private Limited	94,482	94,482.25	-	-
13% DBL Chandikhole Bhadrak Highways Ltd	57,149	57,149.00	-	-
13% DBL Rewa Sidhi Highways Private Limited	41,535	41,535.24	-	-
<b>Total (ii)</b>	<b>1,93,166</b>	<b>1,93,166.49</b>	<b>-</b>	<b>-</b>
(iii) <b>Investments in Government Securities</b>				
6.64% G-Sec 2035 (1)	75,00,000	7,372.50	75,00,000	7,372.50
6.64% G Sec 2035 (2)	30,00,000	2,949.00	30,00,000	2,949.00
6.68% G-Sec 2031	50,00,000	5,096.00	50,00,000	5,096.00
7.26% G-Sec 2029	50,00,000	5,275.00	50,00,000	5,275.00
<b>Total (iii)</b>	<b>2,05,00,000</b>	<b>20,692.50</b>	<b>2,05,00,000</b>	<b>20,692.50</b>
(iv) <b>Investments in Others</b>				
7.03% Indian Railway Finance Corporation Ltd. Bonds	-	-	300	2,944.78
7.32% India Grid Trust NCD (Series L)	450.00	4,500.00	1,100	10,942.15
7.48% Mangalore Refinery & Petrochemicals Ltd NCD	-	-	250	2,541.43
Trust Investment Advisors-Commercial Paper(6%)	-	-	100	2,984.30
<b>Total (iv)</b>	<b>450.00</b>	<b>4,500.00</b>	<b>1,750</b>	<b>19,412.65</b>
(v) <b>Investments in Perpetual Bonds</b>				
8.05% Canara Bank Perpetual Bonds	31	3,103.10	31	3,103.10
7.95% Bank of Baroda Perpetual Bonds	25	2,505.00	25	2,505.00
<b>Total (v)</b>	<b>56</b>	<b>5,608.10</b>	<b>56</b>	<b>5,608.10</b>
(vi) <b>Investment in Shrem Sewa Foundation</b>	29,000	2.90	-	-
<b>Total (vi)</b>	<b>29,000</b>	<b>2.90</b>	<b>-</b>	<b>-</b>
<b>Total Non-current</b>	<b>2,11,52,549</b>	<b>2,40,436.41</b>	<b>2,05,01,806</b>	<b>45,713.25</b>
<b>Current</b>				
(i) <b>Investment in NCDs - Associates</b>				
13% Bangalore Nidagatta Highways Private Limited	4,973.00	4,972.75	-	-
13% DBL Rewa Sidhi Highways Private Limited	3,612.00	3,611.76	-	-
<b>Total (i)</b>	<b>8,585.00</b>	<b>8,584.51</b>	<b>-</b>	<b>-</b>

**Note 5 : Trade Receivables****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non-Current</b>		
Trade Receivable considered good-secured	-	-
Trade Receivable considered good-Unsecured	5,06,724.30	3,22,531.24
Less: Allowance for bad and doubtful debts	-	-
<b>Total Non Current</b>	<b>5,06,724.30</b>	<b>3,22,531.24</b>
<b>Current</b>		
Trade Receivable considered good-secured	-	-
Trade Receivable considered good-Unsecured	66,177.71	48,564.52
Less: Allowance for bad and doubtful debts	-	-
<b>Total Current</b>	<b>66,177.71</b>	<b>48,564.52</b>
<b>Total</b>	<b>5,72,902.01</b>	<b>3,71,095.76</b>

**Trade Receivables Ageing schedule****(Rs. in Lakhs)**

Particulars		Outstanding for following periods from due date of payment						Total
		Unbilled Dues*	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31,2023</b>								
(i)	Undisputed Trade receivables – considered good	5,72,394.37	507.64	-	-	-	-	5,72,902.01
	<b>Total</b>	<b>5,72,394.37</b>	<b>507.64</b>	-	-	-	-	<b>5,72,902.01</b>

\* The amount is not yet due.

**Trade Receivables Ageing schedule****(Rs. in Lakhs)**

Particulars		Outstanding for following periods from due date of payment						Total
		Unbilled Dues*	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31,2022</b>								
(i)	Undisputed Trade receivables – considered good	3,68,903.68	2,191.72	-	-	-	0.37	3,71,095.76
	<b>Total</b>	<b>3,68,903.68</b>	<b>2,191.72</b>	-	-	-	<b>0.37</b>	<b>3,71,095.76</b>

\* The amount is not yet due.

**Note 6 : Loans (Unsecured)****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current</b>		
<b>Loans</b>		
to others	0.75	-
to related parties * (Refer note 27)	8,550.99	-
<b>Total Current</b>	<b>8,551.74</b>	-
<b>Total</b>	<b>8,551.74</b>	-

\* Includes loan and advance to associates.

**Note 7 : Other Financial Assets****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non - Current</b>		
<b>Others</b>		
Security Deposits	1.25	1.25
Withheld Money	204.10	204.10
Fixed deposit With Bank*	19,913.44	7,869.00
<b>Total Non-current</b>	<b>20,118.79</b>	<b>8,074.35</b>
<b>Current</b>		
Accrued interest on Investment	658.96	796.02
Other Receivables	3.60	-
Receivable from Related party # (Refer note 27)	407.92	-
Toll Receivable	9.14	8.12
Withheld Money	1,822.72	860.57
<b>Total current</b>	<b>2,902.34</b>	<b>1,664.71</b>

\* The above deposit of Rs. 17,800.44 Lakhs (March 31, 2022: Rs. 7,869.00) are kept in as Debt Service Reserve Account (DSRA) as per borrowing agreement with lender.

# includes interest receivable from associates.

**Note 8 : Other Assets****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non-current</b>		
<b>Unsecured Considered Good</b>		
Security Deposits	0.50	0.50
MAT Credit Receivable	16,932.34	10,350.72
Income tax (Net of Provision for Tax)	3,952.61	648.10
<b>Total Non-current</b>	<b>20,885.45</b>	<b>10,999.32</b>
<b>Current</b>		
<b>Unsecured Considered Good</b>		
Advance to Suppliers	76.67	31.48
Security Deposit	59.90	59.90
Mobilization Advance paid	-	1,170.14
GST Withheld on Utility	352.20	35.67
Balance with Government Authorities	37,265.11	20,560.69
Advance to others	89.39	1.18
Income tax (Net of Provision for Tax)	-	1,331.55
Prepaid Expenses	879.15	859.27
Labour cess deducted by NHAI	406.92	157.28
Other Receivables	-	125.60
<b>Total Current</b>	<b>39,129.35</b>	<b>24,332.76</b>
<b>Total</b>	<b>60,014.79</b>	<b>35,332.08</b>

**Note 9 : Cash And Cash Equivalents****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash on hand	41.38	11.06
Balance with Banks	18,646.18	1,925.12
Fixed deposit accounts	125.13	1,056.27
<b>Total</b>	<b>18,812.69</b>	<b>2,992.45</b>

**Note 10 : Bank balances other than (iii) above****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Term deposits with maturity less than 12 months	301.75	6,672.63
Other Bank Balance	0.10	0.12
<b>Total</b>	<b>301.85</b>	<b>6,672.75</b>

**Note 11 : Current Tax Asset****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance Income Tax (Net of Provisions)	3,005.02	1,753.73
Mat Credit entitlement	-	-
	<b>3,005.02</b>	<b>1,753.73</b>

**Note 12 (a): Unit Capital**

Particulars	Number of units	(Rs.in Lakhs)
Balance as on 31 <sup>st</sup> March 2021	-	-
issued during the year * (Issue Price: Rs.100)	39,04,70,000	3,90,470.00
Less:- Return of unit capital # (Refer note 31) (Rs. 3.531 per unit)	-	(13,787.04)
<b>Balance as on 31<sup>st</sup> March 2022</b>	<b>39,04,70,000</b>	<b>3,76,682.96</b>
issued during the year*	16,56,54,717	1,70,515.64
Less:- Return of unit capital # (Refer note 31) (Rs. 9.912 per unit)	-	(40,922.48)
<b>Balance as on 31<sup>st</sup> March 2023</b>	<b>55,61,24,717</b>	<b>5,06,276.12</b>

\*Out of the total units of the InvIT 33,04,70,000 units of Rs. 100/- each have been issued for consideration other than cash in the F.Y.2021-22. During the F.Y.22-23 the trust offered an issue of 16,56,54,717 units accordance with the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines (the "InvIT Regulations"). Out of total units issued in current year 16,56,53,242 units of Rs. 100 each have been issued for consideration other than cash.

# During the year company has distributed return of capital Rs.9.912 per unit (F.Y.2021-22 Rs.3.531 per unit distributed return of capital which does not include distribution for the last quarter as same paid in May 2022). Distribution in respect of return of capital for the F.Y.2022-23 does not includes distribution declared for the period 1<sup>st</sup> January 2023 to 31<sup>st</sup> March 2023.

**Term/rights attached to unit****(a) Rights of unitholders**

The trust has 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. Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The investment manager approves dividend distributions.The distribution will be in proportion to the number of unit held by the unitholders. The trust declares and pay dividends in Indian rupees.

**(b) Reconciliation of the number of units outstanding and amount of unit capital:**

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs
At the beginning of the year	39,04,70,000	3,90,470.00	-	-
Issued during the year as fully paid	16,56,54,717	1,70,515.64	39,04,70,000	3,90,470.00
At the end of the year	<b>55,61,24,717</b>	<b>5,60,985.64</b>	<b>39,04,70,000</b>	<b>3,90,470.00</b>

**(c) Details of Unit holding more than 5% units:**

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of Units (in Lakhs)	%	No of Units (in Lakhs)	%
Shrem Infrastructure Private Limited	2,279.24	40.98%	2,455.24	62.88%
Shrem Investment Private Limited	312.35	5.62%	312.35	8.00%
Nitan Chhatwal	-	-	273.01	6.99%
Shrem Enterprises Private Limited	819.32	14.73%	-	-
Dilip Buildcon Limited	513.22	9.23%	-	-
DBL infra Asset Private Limited	324.01	5.83%	-	-
RS Infra Advisors and consultants LLP	-	-	261.60	6.70%

**(d) Details of Unit holding by Promoters****Unit held by promoters at the end of the year**

Promoter Name	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022		% Change during the year ended March 31,2023
	No. of Units (in Lakhs)	% of total Units	No. of Units (in Lakhs)	% of total Units	
Shrem Infrastructure Private Limited	2,279.24	40.98%	2,455.24	62.88%	-21.89%

**Note 12(b) : Other Equity****Retained Earning**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Opening Balance</b>	13,485.23	-
Pre Acquisition profit of Shrem InvIT	-	(335.62)
Profit or (loss) for the year	48,399.86	29,195.99
Reversal of excess NCI profit share	1,441.63	-
Distributions made to the unit holder during the year *	(16,106.72)	(15,375.14)
<b>Closing Balance</b>	<b>47,220.01</b>	<b>13,485.23</b>

\* The distribution by the trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT regulations. The distribution relates to distributions made during the year along with the distribution related to the last quarter of FY.2021-22 and does not include the distribution relating to the period January 01, 2023 to March 31,2023 which will be paid after March 31, 2023.

**Capital Reserve**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Opening Balance</b>	51,366.07	-
reversal of capital reserve	(51,366.07)	-
Capital Reserve	3,712.37	51,366.07
<b>Closing Balance</b>	<b>3,712.37</b>	<b>51,366.07</b>
<b>Total Reserve &amp; Surplus</b>	<b>50,932.38</b>	<b>64,851.30</b>

**Note 13 : Borrowing****(Rs.in Lakhs)**

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a)</b>	<b><u>Non-current Secured Term loans</u></b>		
	From Banks	6,09,950.95	3,20,606.28
	Less: Current maturities of non-current borrowings	(35,914.00)	(25,392.00)
	Unamortized Processing Fees	(1,779.94)	(1,231.61)
	<b>Total Non-current</b>	<b>5,72,257.01</b>	<b>2,93,982.67</b>
<b>(b)</b>	<b><u>Current Secured</u></b>		
	Current maturities of Borrowings	35,914.00	25,392.00
	<b><u>Unsecured</u></b>		
	From Others	-	1,419.36
	<b>Total Current</b>	<b>35,914.00</b>	<b>26,811.36</b>
	<b>Total</b>	<b>6,08,171.01</b>	<b>3,20,794.03</b>

**a) Term Loans are Secured by:****i) The securities provided for the Term loan from State Bank of India**

- 1) First Charge on all immovable assets & movable assets and all the receivable of the InvIT including but not limited to
  - a) any repayment of loan & advance by the existing and proposed project SPVs to the InvIT.
  - b) Dividends to be paid by the he existing and proposed project SPVs to the InvIT.
  - c) Revenue flow of the infrastructure project directly/indirectly held by InvIT.
- 2) First charge on Escro Account opened by the InvIT.
- 3) Assignment of Loan advanced by the trust to SPVs.
- 4) Pledge of 100 percent share of holding companies i.e. Shrem Roadways Private Limited (SRPL), Shrem Tollways Private Limited (STPL) and Shrem Infraventure Private Limited (SIPL)
- 5) Pledge of 15 percent of the units of InvITs held by sponsor i.e. Shrem Infra structure Pvt. Ltd.
- 6) Corporate Guarantee of all the SPVs.
- 7) DSRA for an amout adequate to cover interest and installment of two quarters.
- 8) Pledge of shares of all the SPV to the extent of shareholding of InvIT in the SPV

**ii) The securities provided for the Term loan from Union Bank of India**

- 1) First Pari passu Charge on all immovable assets & movable assets and all the receivable of the InvIT including but not limited to
  - a) any repayment of loan & advance by the existing and proposed project SPVs to the InvIT.
  - b) Dividends to be paid by the he existing and proposed project SPVs to the InvIT.
  - c) Revenue flow of the infrastructure project directly/indirectly held by InvIT.
- 2) First Pari passu charge on Escro Account opened by the InvIT.
- 3) Pari passu charge on Assignment of Loan advanced by the trust to SPVs.
- 4) Pari passu charge on Pledge of 100 percent share of holding companies i.e. Shrem Roadways Private Limited (SRPL), Shrem Tollways Private Limited (STPL) and Shrem Infraventure Private Limited (SIPL)
- 5) Pari passu charge on Pledge of 15 percent of the units of InvITs held by sponsor i.e. Shrem Infra structure Pvt. Ltd.
- 6) Corporate Guarantee of all the SPVs.
- 7) Pari passu charge on DSRA for an amout adequate to cover interest and installment of two quarters.
- 8) Pari passu charge on Pledge of shares of all the SPV to the extent of shareholding of InvIT in the SPV

**Note 14 : Trade Payables****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current</b>		
<b>Payable to Related party</b>		
total outstanding dues of creditors other than micro and small enterprises	83.32	189.62
<b>Payable to Others</b>		
total outstanding dues of micro and small enterprises	-	-
total outstanding dues of creditors other than micro and small enterprises	15,442.88	19,604.61
<b>Total</b>	<b>15,526.20</b>	<b>19,794.23</b>

**Trade payable aging****(Rs.in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31,2023</b>						
(i) total outstanding dues of micro enterprises and small enterprises;		-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises;	15,112.04	414.16	-	-	-	15,526.20
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>15,112.04</b>	<b>414.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,526.20</b>
<b>As at March 31,2022</b>						
(i) total outstanding dues of micro enterprises and small enterprises;	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises;	18,326.55	1,467.68	-	-	-	19,794.23
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>18,326.55</b>	<b>1,467.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,794.23</b>

**Note 15 :Other Financial liabilities****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non-Current</b>		
Deposit	6,000.65	14,831.53
Withheld Money	-	5.80
<b>Total non-current</b>	<b>6,000.65</b>	<b>14,837.33</b>
<b>Current</b>		
Creditors for Expenses	58.47	139.29
Withheld amount	1,055.07	295.20
Accrued Expenses	-	1.37
Deposit	15,596.94	16,379.61
Statutory Dues	-	8.28
<b>Total Current</b>	<b>16,710.48</b>	<b>16,823.75</b>
<b>Total</b>	<b>22,711.13</b>	<b>31,661.08</b>

**Note 16 : Provisions****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non-current</b>		
Provision for Expenses	33,582.23	18,408.76
<b>Total non-current</b>	<b>33,582.23</b>	<b>18,408.76</b>
<b>Current</b>		
Provision For Other Expense	2,875.70	407.85
Provision for Employee Benefits	0.20	0.28
CSR Exp Payable	-	246.43
<b>Total current</b>	<b>2,875.90</b>	<b>654.56</b>
<b>Total</b>	<b>36,458.13</b>	<b>19,063.32</b>

**Note 17 : Other Liabilities****(Rs.in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current</b>		
Withheld Money	43.46	12.64
Advance for COS	192.68	-
Security Deposit	7.50	-
Retention money	17.98	17.98
Electricity Payable	10.47	15.79
Duties and Taxes	870.33	56.66
<b>Total Current</b>	<b>1,142.42</b>	<b>103.07</b>

**Note 18 : Deferred tax assets / Deferred tax liabilities****(Rs. in Lakhs)**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Deferred Tax Assets:</b>		
Property, plant & equipment and intangible assets	1.12	0.60
Provision for major maintenance	1,085.28	-
Provision for O&M Expenses	729.33	-
Brought forward Income tax	5,873.94	-
Current year Losses	6,773.97	-
<b>Deferred Tax Assets (net) (A-B)</b>	<b>14,463.64</b>	<b>0.60</b>

**Note 19 : Revenue from Operations****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Interest Income - Others	50,972.89	25,539.88
Toll Plaza Receipts	20,781.86	10,098.71
Contract Receipts	5,508.20	499.48
Income from Change in Scope	3,837.18	1,368.42
Installation charges for ETC on toll plaza	-	429.38
Income from Operation & Maintenance Services- NHAI	3,108.20	1,493.48
Interest Income on Loans and Advances * (Refer note 27)	109.80	-
Crop Compensation Reimbursement	-	110.78
Bonus for early completion	5,068.83	-
Interest Income on NCDs * (Refer note 27)	298.13	-
Interest income on Balance completion Costs	48,747.91	17,518.33
<b>Total</b>	<b>1,38,433.00</b>	<b>57,058.46</b>

\* Includes amount receivable from associates.

**Note 20 : Other Income****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Insurance claim received	12.50	45.66
Interest on Income tax refund	103.06	33.12
Interest Income on Bonds / G-Sec/ NCD	3,764.91	984.66
Interest on Fixed Deposits with Bank	820.21	347.95
Capital Gain on Redemption	9.01	7.42
Interest on Advance	-	45.54
Liability no longer required written back	36.71	0.57
Miscellaneous Income	211.84	211.38
<b>Total</b>	<b>4,958.24</b>	<b>1,676.32</b>

**Note 21 : Cost of Construction and Operation and Maintenance Charges****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Subcontractor Charges (utility)	716.21	456.93
Labour Cess and Taxes	1,569.74	71.07
ETC Machine Charges	-	429.38
Deduction by Department	18.41	-
Bonus	2,573.29	-
Cost of Material consumed	5,508.20	-
Independent Engineer Fees	232.23	106.32
Miscellaneous Site Expenses	36.18	-
Expenses due to Change of Scope	250.61	-
Operation and Maintenance Charges	6,229.92	2,577.30
<b>Total</b>	<b>17,134.79</b>	<b>3,641.00</b>

**Note 22 : Employee Benefit Expense****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Salary & Other Allowances	15.27	12.93
Staff Welfare Expenses	0.28	0.73
<b>Total</b>	<b>15.55</b>	<b>13.66</b>

**Note 23 : Finance Cost****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Interest on borrowings	27,457.03	12,616.43
Other borrowing cost	225.12	460.75
<b>Total</b>	<b>27,682.15</b>	<b>13,077.18</b>

**Note 24 : Depreciation Expenses****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Depreciation of Tangible Assets and Amortisation of Intangible Assets	5,770.78	3,029.62
<b>Total</b>	<b>5,770.78</b>	<b>3,029.62</b>

**Note 25 : Other Expenses****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Payment to Auditors (refer Note 25.1)	31.30	20.10
Establishment Expenses	54.21	48.08
Independent Engineer Fees	(112.38)	102.32
Insurance Expenses	944.41	502.02
AMC, Professional & Technical Charges	1,426.35	171.62
Major Maintenance expenses	7,924.73	2,409.31
Other Supportive Services	-	2,591.45
Miscellaneous Expenses	86.10	146.68
Loss on Sale of investment	331.12	-
Listing charges	28.00	10.50
Project Management Expenses (refer Note 25.3)	623.95	313.66
Project Monitoring Fees	-	20.40
Rent, Rates and Taxes	1,388.13	2,002.51
Power & Fuel	165.87	126.47
Registration & Stamp Duty	2.17	19.54
Interest on statutory dues	37.61	115.73
Fines and Penalties	40.73	29.75
CSR Expenses (Refer note 25.2)	640.07	279.74
<b>Total</b>	<b>13,612.36</b>	<b>8,909.88</b>

**Note 25.1 : Remuneration to Auditors****(Rs. in Lakhs)**

Particulars	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
a) Audit Fees	31.30	20.10
<b>Total</b>	<b>31.30</b>	<b>20.10</b>

**Note 25.2 :Corporate Social Responsibility**

During the year Subsidiaries of Trust has spent amount towards Corporate Social Responsibility for the F.Y.22-23 and F.Y.21-22.

**Note 25.3 :** Pursuant to the project implementation and Management agreement, project manager is entitled to fees 0.5% on revenue from operation of existing SPV and 0.25% on revenue of proposed ten HAM SPV (Refer note 38). Consolidated statement of profit and loss for the year ended March 31, 2023 includes amount of Rs. 623.95Lakhs(March 31, 2022: Rs.313.66 Lakhs) towards project management fees. There are change in the percentage in case of new four road project acquired during the year by the trust.

**Note 25.4 :** Pursuant to the Investment Management agreement, Investment manager is entitled to fees 1% on revenue from operation of existing SPV and 0.50% on revenue of proposed Ten HAM SPV(Refer Note 38). Consolidated statement of profit and loss for the year ended March 31, 2023 includes amount of Rs.1,247.90 Lakhs(March 31, 2022: Rs.627.33 Lakhs) towards Investment management fees. There are no change during the year in the methodology for computation of fees paid to investment manager.

**Note 25.5 Debenture Redemption Reserve:-**

According to Companies (Share Capital and Debentures) Rules, 2014, As per sub rule (7) of Rule 18, company need to comply with the requirements with regard to Debenture Redemption Reserve (DRR) and Debenture Redemption Reserve shall be created out of profits of the company available for payment of dividend. As per the rule the adequacy of Debenture Redemption Reserve shall be 10% of the value of the outstanding debentures.

However, during the year ended 31<sup>st</sup> March, 2023, the Ten Subsidiaries have not created Debenture Redemption Reserve (DRR), three subsidiaries have partially created Debenture Redemption Reserve (DRR) due to losses or inadequacy of profit.

The company ensure that whenever company generate adequate profit, company shall create Debenture Redemption Reserve.

**Note 26 : Statement of earning per unit****(Rs. in Lakhs)**

Particulars		Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
a)	Profit / (Loss) for the year before tax	45,226.06	29,436.11
	Less : Attributable Tax thereto	(3,121.05)	(427.59)
	Add : Share of profit of Associates	339.54	-
	Less: Share of NCI	286.79	667.71
	Profit / (Loss) after Tax	48,399.86	29,195.99
b)	Weighted Average number of units outstanding for computation of basic and diluted earning per unit ( no in Lakhs)	4,330.34	3,904.70
<b>Earning per Unit (Basic and diluted) (Rs. Per unit)</b>		<b>11.18</b>	<b>7.48</b>

**Note 27 : Related Parties Transactions****A. List of related parties of Shrem InvIT****Reporting Enterprise**

Shrem InvIT

**List of related parties as on 31<sup>st</sup> March 2023****I) List of related parties as per the requirements of Ind AS 24 - "Related Party Disclosures" and as per Regulation 2(1)(zv) of the SEBI InvIT Regulations****Associate Companies**DBL Chandikhole Bhadrak Highways Limited (From 24<sup>th</sup> February 2023)DBL Bangalore Nidagatta Highways Pvt Limited (From 31<sup>st</sup> March 2023)DBL Rewa Sidhi Highways Pvt Ltd (From 31<sup>st</sup> March 2023)

**II)****a) Parties to the InvIT**

Shrem Infra Structure Private Limited (Sponsor)  
 Shrem Financial Private Limited (Investment Manager)  
 Axis Trustee Services Limited (Trustee)  
 Shrem Road Projects Private Limited (Project Manager)

**b) Director of the parties to the trust specified in category II (A) above****(i) Shrem Infra Structure Private Limited (Sponsor)**

Nitan Chhatwal  
 Smita Nitan Chhatwal  
 Krishani Nitan Chhatwal  
 Shyam Sunder Malani

**(ii) Shrem Financial Private Limited (Investment Manager)**

Nitan Chhatwal  
 Smita Nitan Chhatwal  
 Nikhil Pareek

**(iii) Shrem Road Projects Pvt. Ltd. (Project Manager)**

Piyush Sheetalchand Jain  
 Vineet Taparia

**(iv) Axis Trustee Services Limited (Trustee)**

Rajesh Kumar Dahiya  
 Ganesh Sankaran Director  
 Deepa Rath (MD & CEO)

**c) Promoters of the parties to the trust specified in category II (A) above****(i) Shrem Infra Structure Private Limited (Sponsor)**

Chhatwal Group Trust  
 Shrem Impex Pvt Ltd

**(ii) Shrem Financial Private Limited (Investment Manager)**

Chhatwal Group Trust  
 Nitan Chhatwal  
 Hitesh Chhatwal

**(iii) Shrem Road Projects Pvt. Ltd. (Project Manager)**

Chhatwal Group Trust  
 Nitan Chhatwal  
 Hitesh Chhatwal

**d) Entity having significant Influence**

Shrem Investment Private Limited  
 R S Infra Advisors and Consultant LLP

**e) Directors and KMP having significant Influence over entity**

Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind private Limited )

**(b) Transactions with the related parties:****( Rs.in Lakhs)**

Sr No	Transactions	Name of Related Parties	Year Ended 31 <sup>st</sup> March 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
<b>1</b>	<b>Income</b> Interest income on Loan and advance	<b>Associate</b> DBL Bangalore Nidagatta Highways Private Limited	0.00	-
		DBL Chandikhole Bhadrak Highways Limited	109.80	-
		DBL Rewa Sidhi Highways Private Limited	0.00	-
	Interest Income on NCDs	<b>Associate</b> DBL Chandikhole Bhadrak Highways Limited	158.00	-
		DBL Rewa Sidhi Highways Private Limited	48.24	-
		DBL Bangalore Nidagatta Highways Private Limited	91.89	-
		<b>298.13</b>	<b>-</b>	
<b>2</b>	<b>Expenses</b> Investment manager fees	<b>Investment Manager</b> Shrem Financials Private Limited	1,247.90	627.33
			<b>1,247.90</b>	<b>627.33</b>
	Other Support services	<b>Investment Manager</b> Shrem Financials Private Limited	-	2,591.45
			-	<b>2,591.45</b>
	Project Management Services	<b>Project Manager</b> Shrem Road Projects Private Limited	623.95	313.66
			<b>623.95</b>	<b>313.66</b>
<b>3</b>	<b>Loan Taken</b>	<b>Investment Manager</b> Shrem Financials Private Limited	-	-
		<b>Sponsor</b> Shrem Infrastructure Private Limited	-	5,421.71
			-	<b>5,421.71</b>
<b>4</b>	<b>Loan Given</b>	<b>Investment Manager</b> Shrem Financials Private Limited	-	5,959.39
		<b>Sponsor</b> Shrem Infrastructure Private Limited	-	-
		<b>Associate</b> DBL Chandikhole Bhadrak Highways Limited	8,550.00	-
		DBL Bangalore Nidagatta Highways Private Limited	0.66	-
		DBL Rewa Sidhi Highways Private Limited	0.33	-
			<b>8,550.99</b>	<b>5,959.39</b>
<b>5</b>	<b>Loan Repayment</b>	<b>Investment Manager</b> Shrem Financials Private Limited	-	5,639.89
		<b>Sponsor</b> Shrem Infrastructure Private Limited	-	23,553.90
			-	<b>29,193.79</b>
<b>6</b>	<b>Issue of Unit Capital</b>	<b>Sponsor</b> Shrem Infrastructure Private Limited	-	2,45,524.03
		Shrem Investments Private Limited	-	31,235.03
		Chhatwal Group Trust	-	26,300.96
		RS Infra Advisors and Consultants LLP	-	26,160.30
		Nitan Chhatwal	-	624.84
		Hitesh Chhatwal	-	624.84

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year Ended 31 <sup>st</sup> March 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
		<b><u>Directors and KMP having significant Influence over entity</u></b> Shrem Enterprises Private Limited (formerly known as Shrem Offshore Wind Private Limited)	83,723.73	-
			<b>83,723.73</b>	<b>3,30,470.00</b>
7	<b><u>Investment Made In Equity</u></b>	<b><u>Associate</u></b> DBL Chandikhole Bhadrak Highways Ltd DBL Bangalore Nidagatta Highways Private Limited DBL Rewa Sidhi Highways Private Limited	2,450.00 8,149.68 5,527.20	- - -
			<b>16,126.88</b>	<b>-</b>
8	<b><u>Investment Made In NCD's</u></b>	<b><u>Associate</u></b> DBL Chandikhole Bhadrak Highways Limited DBL Bangalore Nidagatta Highways Private Limited DBL Rewa Sidhi Highways Private Limited	62,349.00 99,455.00 45,147.00	- - -
			<b>2,06,951.00</b>	<b>-</b>
9	<b><u>Redemption of Investment in NCD's</u></b>	<b><u>Associate</u></b> DBL Chandikhole Bhadrak Highways Limited	5,200.00	-
			<b>5,200.00</b>	<b>-</b>
10	<b><u>NCD transfer to INVIT</u></b>	<b><u>Sponsor</u></b> Shrem Infrastructure Private Limited	- - - -	17,200.00 28,300.00 11,700.00 <b>57,200.00</b>
11	<b><u>Repaid advance by parties</u></b>	<b><u>Sponsor</u></b> Shrem Infrastructure Private Limited	-	10,575.00
			<b>-</b>	<b>10,575.00</b>
12	<b><u>Return of Unit Capital</u></b>	<b><u>Sponsor</u></b> Shrem Infrastructure Private Limited <b><u>Directors and KMP having significant Influence over entity</u></b> Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind Private Limited ) Nitan Chhatwal Smita Nitán Chhatwal Shrem Investment Private Limited Nitan Chhatwal (on behalf of CGT) Hitesh Chhatwal R S Infra Advisors and Consultant LLP	24,284.90 1,561.97 61.93 19.83 3,096.02 2,706.07 61.93 2,593.01	8,669.16 - 22.06 7.06 1,102.87 928.66 22.06 923.69
			<b>34,385.67</b>	<b>11,675.57</b>
13	<b><u>Dividend Paid to Unitholders</u></b>	<b><u>Sponsor</u></b> Shrem Infrastrucure Private Limited <b><u>Directors and KMP having significant Influence over entity</u></b> Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind Private Limited ) Nitan Chhatwal Smita Nitán Chhatwal	3,439.08 245.35 8.77 2.81	7,979.53 - 20.31 6.50

(Rs.in Lakhs)

Sr No	Transactions	Name of Related Parties	Year Ended 31 <sup>st</sup> March 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
		Shrem Investment Private Limited	438.54	1,015.14
		Nitan Chhatwal (on behalf of CGT)	383.31	854.78
		Hitesh Chhatwal	8.77	20.31
		R S Infra Advisors and Consultant LLP	367.29	850.21
			<b>4,893.92</b>	<b>10,746.79</b>
<b>14</b>	<b>Interest to unit holder</b>	<b>Sponsor</b> Shrem Infrastructure Pvt Ltd	6,222.92	1,688.22
		<b>Directors and KMP having significant Influence over entity</b>		
		Shrem Enterprises Private Limited ( formerly known as Shrem Offshore Wind Private Limited )	257.49	-
		Nitan Chhatwal	15.86	4.30
		Smita Nitan Chhatwal	5.07	1.37
		Shrem Investment Private Limited	792.74	214.77
		Nitan Chhatwal (on behalf of CGT)	692.90	180.84
		Hitesh Chhatwal	15.86	4.30
		R S Infra Advisors and Consultant LLP	663.95	179.88
			<b>8,666.79</b>	<b>2,273.67</b>

## (c) Balances due from/to the related parties:

(Rs.in Lakhs)

Sr No	Narration	Name of Related Parties	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>1</b>	<b>Trade Payable</b>	<b>Project Manager</b> Shrem Road Projects Private Limited	83.32	189.62
		<b>Investment Manager</b> Shrem Financials Private Limited	161.64	-
			<b>244.96</b>	<b>189.62</b>
<b>2</b>	<b>Investment</b>	<b>In Equity Associate</b> DBL Bangalore Nidagatta Highways Private Limited	8,149.68	-
		DBL Chandikhole Bhadrak Highways Limited	2,450.00	-
		DBL Rewa Sidhi Highways Private Limited	5,527.20	-
			<b>16,126.88</b>	<b>-</b>
		<b>In NCD Associate</b> DBL Bangalore Nidagatta Highways Private Limited	99,455.00	-
		DBL Chandikhole Bhadrak Highways Limited	57,149.00	-
		DBL Rewa Sidhi Highways Private Limited	45,147.00	-
			<b>2,01,751.00</b>	<b>-</b>
<b>3</b>	<b>Interest Receivables</b>	<b>Associate</b> DBL Chandikhole Bhadrak Highways Limited	267.80	-
		DBL Bangalore Nidagatta Highways Private Limited	91.89	-
		DBL Rewa Sidhi Highways Private Limited	48.24	-
			<b>407.92</b>	<b>-</b>
<b>4</b>	<b>Loans and Advances</b>	<b>Associate</b> DBL Chandikhole Bhadrak Highways Limited	8,550.00	-
		DBL Bangalore Nidagatta Highways Private Limited	0.66	-
		DBL Rewa Sidhi Highways Private Limited	0.33	-
			<b>8,550.99</b>	<b>-</b>

**Note 28 : Fair value of financial assets and liabilities**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Rs. in Lakhs)

Sr No	Particulars	Carrying value	Fair value	Carrying value	Fair value
		31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022
	<b>Financial Asset</b>				
<b>(a)</b>	<b>Carried at amortised cost</b>				
(i)	Investments	2,49,020.92	3,62,594.84	45,713.25	45,713.25
(ii)	Loans	8,551.74	8,551.74	-	-
(iii)	Trade receivables*	5,72,902.01	-	3,71,095.76	-
(iv)	Cash and cash equivalent*	18,812.69	-	2,992.45	-
(v)	Bank balances other than cash and cash equivalent*	301.85	-	6,672.75	-
(vi)	Other financial asset	23,021.14	23,021.14	9,739.06	9,739.06
	<b>Financial Liabilities</b>				
<b>a)</b>	<b>Carried at amortised cost</b>				
(i)	Borrowings	6,08,171.01	6,08,171.01	3,20,794.03	3,20,794.03
(ii)	Trade payable*	15,526.20	-	19,794.23	-
(iii)	Other financial liabilities	22,711.13	22,711.13	31,661.08	31,661.08

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuations, including independent price validation for certain instruments. Further, in other instances, Company retains independent pricing vendors to assist in corroborating the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

**The following methods and assumptions were used to estimate the fair values:**

\* The company has not disclosed the fair values of trade payables, trade receivables, cash and cash equivalents, because their carrying amounts are reasonable approximation of fair value.

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables. As of reporting date the carrying amounts of such receivables, net of allowances are not materially different from their calculated fair values.

Carrying value of loans from banks, other non current borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non- performance risk as at reporting date was assessed to be insignificant.

**Fair value hierarchy**

The following table provides the fair value measurement hierarchy of Company's assets and liabilities grouped into Level 1 to Level 3 as described in significant accounting policies - Note 1. Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2023:****(Rs. in Lakhs)**

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
	<b>Assets for which fair values are disclosed</b>					
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>					
(i)	Investments	-	3,62,594.84	-	Discounted cash flows	Forecast Cash Flows, discount rate, maturity
(ii)	Loans	-	8,551.74	-		
(iii)	Other financial asset	-	23,021.14	-		
<b>(a)</b>	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings	-	6,08,171.01	-	Discounted cash flows	Forecast Cash Flows, discount rate, maturity
(ii)	Other financial liabilities	-	22,711.13	-		

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:****(Rs. in Lakhs)**

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
	<b>Assets for which fair values are disclosed</b>					
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>					
(i)	Investments	-	45,713.25	-	Discounted cash flows	Forecast Cash Flows, discount rate, maturity
(ii)	Loans	-	-	-		
(iii)	Other financial asset	-	9,739.06	-		
<b>(a)</b>	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings	-	3,20,794.03	-	Discounted cash flows	Forecast Cash Flows, discount rate, maturity
(ii)	Other financial liabilities	-	31,661.08	-		

**Financial Risk Management**

The trust's risk Management policies are established to identify and analyse the risk faced by the trust, to set appropriate risk limit and controls, and to monitor risk and adherence to limit. Risk Management policies and system are reviewed regularly to reflect changes in market conditions and the trust activities.

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

In performing its operating, investing and financing activities, the Trust is exposed to the credit risk, Liquidity risk and Market Risk.

**Market Risk**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes investments and trade and other payables.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have exposure to the risk of changes in foreign exchange rates and hence is not subjected to such risk.

**Note 29 : Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	(Rs. in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2023	For the period 16 <sup>th</sup> Sept, 2021 to 31 <sup>st</sup> March, 2022
Long term borrowings	5,72,257.01	2,93,982.67
Short term borrowings	35,914.00	26,811.36
Less: Cash and cash equivalents	18,812.69	2,992.45
Less: Bank balances other than cash and cash equivalents	301.85	6,672.75
Less: Current investments	-	-
<b>Net debt</b>	<b>5,89,056.47</b>	<b>3,11,128.83</b>
Total Equity	5,63,110.06	4,48,590.66
<b>Capital and net debt</b>	<b>11,52,166.54</b>	<b>7,59,719.49</b>
Gearing ratio	51.13%	40.95%

**Note 30 : SIGNIFICANT ACCOUNTING JUDGEMENT, ESTIMATES AND ASSUMPTIONS**

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

**(a) Judgement**

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

**(b) Classification of unit holders Funds**

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

**(c) Fair valuation and disclosures**

SEBI Circulars issued under the SEBI InvIT Regulations requires disclosures relating to net assets at fair value and total returns at fair value. In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The Investment Manager works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The valuation report and findings are discussed at the meeting of the Board of Directors on yearly basis to understand the changes in the fair value of the subsidiaries. The inputs to the valuation models are taken from observable markets, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as weighted average cost of capital, tax rates, inflation rates, etc. Changes in assumptions about these factors could affect the fair value.

**(d) Expected Credit Loss on financial assets**

As per Ind AS 109, Financial Assets that are measured at amortised cost are required to compute the Expected Credit Loss (ECL). As at the reporting period, Investment manager of the Trust assessed the credit risk of the financial assets and concluded that the provision for ECL is sufficient.

**Note 31 : Distribution mode**

The investment Manager on behalf of Shrem InvIT has made following distributions

Particulars	(Rs.in Lakhs)	
	FY 2022-2023	FY 2021-2022
Interest	10,275.96	2,684.86
Dividend	5,830.76	12,690.28
<b>Subtotal</b>	<b>16,106.72</b>	<b>15,375.14</b>
Return of capital (Refer note 12(a))	40,922.48	13,787.04
<b>Subtotal</b>	<b>40,922.48</b>	<b>13,787.04</b>
<b>Total *</b>	<b>57,029.20</b>	<b>29,162.18</b>

\* Pertains to the distributions made during the financial year along with distribution related to the last quarter of FY 2021-22 and does not include the distribution relating to the last quarter of FY 2022-23 which will be paid after March 31, 2023.

The distribution by the trust to its unitholders are based on the Net Distributable Cash Flows of the Trust under the SEBI InvIT regulations.

**Note 32 :Other Statutory Information**

- i). The Trust have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- ii) The Trust does not hold benami property and no proceedings under Benami transaction (Prohibition) Act 1988 have been initiated against the trust
- iii) The Trust does not have any transactions with companies struck off.
- iv) The Trust have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- v) The Trust have 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 Trust shall:
  - a) 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
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vi) The Trust have not advance or loaned or invested (either from borrowed fund or share premium or any other source or kind of fund) by the company to or in any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Trust shall:
  - a) 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
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii) The Trust did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.
- viii) The Trust has not declared a wilful defaulter by any bank/ financial institution or any other lender during the year.

**Note 33 : Segment Reporting**

The group's primary business segment is reflected based on principal business activities carried on by the group i.r. building, operating and management of road projects and all other related activities which as per INDAS 108 on "operating segments" is considered to be the only reportable business segment. The Group derives its major revenue from operation and maintenance of highways. The group is operating in India which is considered as single geographical segment.

**Note 34 : Subsequent event**

On May 8,2023, the board of directors of the investment manger approved seventh distribution of Rs. 2.7000 per unit which comprises of Rs. 1.3313 per unit as return of capital and 0.2493 per unit as interest and Rs.1.1194 per unit as dividend for the period January 01, 2023 to March 31, 2023 to be paid on or before fifteen days from the date of declaration.

**Note 35 :Capital Reduction of Wholly owned subsidiaries of Shrem InvIT**

Wholly owned subsidiaries of the Shrem InvIT (Shrem Infraventure Private Limited, Shrem Roadways Private Limited and Shrem Tollways Private Limited) had applied to the Hon'ble NCLT in the month of March 2022, a Scheme of Capital reduction. As per the Scheme, the shareholding layer of the Intermediary Holding companies was to be removed and the investments in SPVs held by these Intermediary Holding Companies was to be distributed to Shrem InvIT in consideration of the reduction in share capital. During the year,The Company has received an approval from NCLT for the scheme of capital reduction of holding companies.

The Company has received an approval from NCLT - for Shrem Roadways Private Limited on 14th July 2022 and Shrem Tollways Private Limited on 21<sup>st</sup> July 2022 and for Shrem Infraventure Private Limited on 03rd March, 2023 for the scheme of capital reduction.

**Note 36 : Impairment of Assets**

The trust has reviewed the future discounted cash flows of the intangible assets (Toll Collection Rights) and financial assets of the subsidiaries, the recoverable amount is higher than the carrying amount of the assets in the Financial Statements except for the Ten project assets and accordingly impairment in value of investments of Rs.15,123.95 Lakhs has been recognised in the statement of profit and loss for the year ended March 31, 2023. An amount of Rs.17577.70 lakhs arising on account of diminution in value of investments at the time of transfer of SPVs from Holding company to Shrem InvIT (as suitably explained in Note 33 above) is also recognised in the statement of profit and loss for the year ended March 31, 2023.

**Note 37 : Acquisition of Assets**

Shrem InvIT has entered into a Term Sheet with Dilip Buildcon Limited ( DBL) and DBL Infra Assets Private Limited (DIPAL) to acquire 10 road assets (of which 8 road assets has been acquired by Shrem InvIT till 31<sup>st</sup> March,2023 ) owned by DBL and DIAPL for a proposed consideration of Rs.2,34,900 Lakhs. As per the Term Sheet the definitive agreements was executed on 3rd March, 2022 subject to necessary approvals from the lenders and the Authorities and the proposed consideration may undergo change based on outcome of final due diligence and other aspects in that regard.

During the quarter ended 31<sup>st</sup> December, 2022 , The Trust acquired 4 SPV companies, as stated below for total consideration of Rs. 30,498.65 Lakhs (as at 31<sup>st</sup> October 2022). As at 31<sup>st</sup> October, 2022, the goodwill / gain from bargain purchase has been computed considering the equity value of the Project SPVs as at the acquisition date. 2,55,48,886 units at the price of Rs. 101.31/- per unit have been issued. The details of the same is as below:

Name of the SPV	Date of Acquisition	% of Holding
DBL Anandapuram Anakapalli Highways Private Limited (NHAI)	31 <sup>st</sup> October 2022	100%
DBL Bellary Byrapura Highways Private Limited (NHAI)	31 <sup>st</sup> October 2022	100%
DBL Gorhar Khairatunda Highways Private Limited (NHAI)	31 <sup>st</sup> October 2022	100%
DBL Sangli Borgaon Highways Limited (NHAI)	31 <sup>st</sup> October 2022	100%

During the quarter ended 31<sup>st</sup> March 2023, the Trust has acquired 4 SPV's for total consideration of Rs. 83,106.65 Lakhs for which, 7,93,75,980 units of shrem InvIT at price of Rs. 104.70 per unit have been issued. Details of SPV's are as below:

Name of the SPV	Date of Acquisition	% of Holding
DBL Byrapura Challakere Highways Private Limited (NHAI)	31 <sup>st</sup> March 2023	100%
DBL Rewa Sidhi Highways Private Limited (NHAI)	31 <sup>st</sup> March 2023	49%
DBL Bangalore Nidagatta Highways Private Limited (NHAI)	31 <sup>st</sup> March 2023	49%
DBL Chandikhole Bhadrak Highways Limited (NHAI)	24 <sup>th</sup> February 2023	49%

**Note 38 :**

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

As per our Report of even date

**For Mukund M. Chitale & Co.  
Chartered Accountants**

Firm Reg. No. 106655W

**For and on behalf of the Board of Directors of  
Shrem Financial Private Limited**

(As Investment Manager of Shrem InvIT)

**(S M Chitale)  
(Partner)**

M. No. 111383

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Nitan Chhatwal  
Director**

DIN : 00115575

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Nikhil Pareek  
Director**

DIN : 07083015

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

**Ilaa Udeshi  
Company Secretary**

Place : Mumbai

Date : 8<sup>th</sup> May, 2023

## **We are committed to...**

- partner in nation building by investing in India's highway infrastructure
- due diligence, processes and operational excellence
- enhancing stakeholder value

**We appreciate your belief in our vision, mission and values.**

**Thank you**

to all our partners, service providers and stakeholders.

### **Shrem InvIT**

1101, Viraj Towers, Junction Off Andheri Kurla Rd,  
W.E. Highway Near Landmark Bldg,  
Andheri (E), Mumbai - 400093. Maharashtra

+91 22 4228 5500  
compliance@shrem.in  
www.shreminvit.com