



# 1<sup>st</sup> Annual Report

## F.Y. 2021-22

# CONTENTS

SR. NO.	PARTICULARS	PAGE NO.
1	CORPORATE OVERVIEW	2
2	CHAIRMAN'S SPEECH	3
3	STRATEGIC OVERVIEW	4
4	ENVIRONMENT, SOCIAL & GOVERNANCE (ESG) REPORT	5
5	STRUCTURE OF INVIT & BRIEF PROFILES OF PARTIES TO THE INVIT	7
6	INVESTMENT MANAGER'S REPORT	12
7	MANAGEMENT DISCUSSION AND ANALYSIS	20
8	SUMMARY OF VALUATION OF ASSETS AND NAV	26
9	CREDIT RATINGS	28
10	OTHER MANDATORY DISCLOSURES	29
11	RISK FACTORS	36
12	AUDITED FINANCIAL STATEMENT	40

# 01

## CORPORATE OVERVIEW



### Shrem InvIT

1101, Viraj Towers  
Junction Off Andheri Kurla Rd,  
W.E. Highway Near Landmark Bldg,  
Andheri (E), Mumbai – 400069,  
Maharashtra

+91 22 42285500

infrateam@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**

### BANKERS:

State 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

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

T: +91 97909 28047  
E: chennaiissr@gmail.com

### 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

Contact Person:  
**Anil Grover, Head - Operations**

### 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 – 400069.

T: +91 22 42285500  
E: infrateam@shrem.in

### Board of Directors:

**Mr. Nitán Chhatwal**  
Chairman of Board

**Mrs. Smita Nitán Chhatwal**  
Director

**Mr. Nikhil Pareek**  
Director

**Mr. Pradeep Singh**  
Independent Director

**Mr. Suneet K Maheshwari**  
Independent Director

**Mr. Anurag Kumar Sachan**  
Independent Director

### Management Team:

**Mr. Nitán Chhatwal**

**Mr. Nikhil Pareek**

**Mr. Hitesh Chhatwal**

**Mr. Mukesh Jain**

**Mr. Piyush Jain**

**Mr. S L Kothari**

### Key Managerial Personnel:

**Mr. Shyam Sunder Malani**  
Chief Financial Officer

**Mr. Piyush Oza**  
Company Secretary



**Mr. Nitán Chhatwal**  
Chairman

## Dear Unitholders, Greetings from Shrem InvIT

The Presence of InvIT can be traced back to 1960s in the USA. It is a pooled investment vehicle which enables investment in large capital-intensive, revenue - generating infra-assets with utmost safety and creditable returns. The market for InvIT is evolving in India and is relatively at nascent stage, with only a handful of InvIT registered and listed till date.

Roads & highways are veins & arteries of the nation and with the government's thrust for development of the same, higher economic growth and social welfare is expected over the long term. InvIT is poised to emerge as an attractive investment platform for the infrastructure sector. This can act as an efficient investment vehicle to pool long-term funds for infrastructure creation, from both retail investors and global institutional funds.

FY 2021-22 has been marked by many key transformations, creating a launchpad to leapfrog our growth story.

As we complete our first financial year and mark the onset of FY 2022-23, it gives me immense pleasure to put forward our achievements during the year, which signifies as follows:

- Shrem InvIT ("Trust"/"InvIT") got its units listed on National Stock Exchange (NSE) and commenced its operation from the month of September 2021 by acquiring sizable portfolio of 24 road infra-assets.
- Our focus has been ensuring utmost safety and enhancing return on unitholders funds, expanding asset portfolio, maximizing revenue, and optimizing cost and high standard of corporate governance.

- The aggregate lane kilometers of road projects under operation are approximately 6,442.35 lane kilometers.
- The enterprises value of portfolio assets as on March 31, 2022, is Rs. 6,48,890 Lakhs based on valuation report.
- The Trust availed Term loan of Rs. 3,36,400 Lakhs from State Bank of India, Mumbai.

On the onset of FY 2022-23, our focus shall be, Strong execution on asset acquisition, consistent growth in distribution, and fortifying balance sheet.

In terms of performance, revenue and EBITDA at the year-end reflects as, Rs. 58735 Lakhs and Rs. 45082 Lakhs, respectively and net profit of Rs. 29864 Lakhs were recorded by the Trust in FY 2021-22 based on consolidated financial results. During the year, the Trust has made distribution, twice to its Unitholders on quarterly basis which comprises Rs. 4.018 per unit for the period ended September 30, 2021, and Rs. 3.450 per unit for the quarter ended December 31, 2021.

In addition to existing portfolio of 24 road projects, the InvIT is in process of acquiring 10 road assets in sync with its sustainable growth strategy.

The Board of Directors and the Management team are playing pivotal role in strategic management of the portfolio assets with high standard of corporate governance in the best interest of Unitholders.

I am overwhelmed and with a feeling of pride and gratitude for unflinching support of all stakeholders. Through all the challenges, I deeply admire the resilience and dedication of my colleagues, who demonstrated professionalism in taking business to next level. I would like to express my gratitude to the Board of Directors for providing guidance and direction to the management team and I am also grateful to our unitholders, bank and all other stakeholders for their continuous support.

Thanks & Best Regards,

**Nitán Chhatwal**  
Chairman

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

# STRATEGIC OVERVIEW

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

The Trust currently owns, operates, and maintains a portfolio of 24 road assets across five states in India i.e. Madhya Pradesh, Uttar Pradesh, Gujarat, Maharashtra and Karnataka. 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.

InvIT, being a new instrument, is at emerging stage in terms of its market participation in infra business as well as it is evolving in terms of regulatory aspects. The InvIT regime per se has inherent nature of dealing in large scale of operations and it facilitates to boost infrastructure development in the country. We are committed to contribute towards development and maintenance of the world class state-of-art road infrastructure in the country by acquisition of completed road infra-assets.

Shrem InvIT has been established with following rationale:

## Vision:

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

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

## Our Strengths:

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

# ENVIRONMENT, SOCIAL & GOVERNANCE (ESG) REPORT

Shrem InvIT per se is not engaged in construction activity but is provider of support service for transportation. Thus, we are not engaged in activities that directly cause environmental hazards.

However, the Trust takes a 360-degree view of sustainable development that encompasses the organization's social, economic, governance, and financial aspects.

Environmental, Social and Governance (ESG) has emerged as much more than only a

corporate responsibility. 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 central to our business. Our Sustainable Progress Strategy sets out three key pillars of activities as follows:

## ENVIRONMENT

### What we do –

- Our commitment is to make parties to the Trust imbibe sustainable growth attitude towards environment and society through their respective functions and initiatives.
- As human activity increases with soaring overpopulation and an increasing number of vehicles, lot of stray animals meet with unfortunate accidents each day. To arrest these unpleasant incidents, the SPVs under the trust has created a Section 8 Company in the name of Shrem Sewa Foundation which inter alia has an object to spend towards animal protection and welfare.
- Shrem Sewa Foundation is in a process of setting up a gaushala near Biaora, which is going to cover an area of approximately fifty acres of land, providing shelter and fodder to approximately two thousand stray cattle.
- The project manager, while carrying out Operation and Maintenance of the Assets under Trust, is advised to undertake all such activities and initiatives pertaining to the environment consciousness and betterment of society.
- The Trust and the Project Manager are committed to ensure adequate tree plantations, energy conservation and ensure minimal impact of operations on environment by providing means for seamless transportation, aiming at improving efficient use of resources over time with low carbon footprint.

## SOCIAL

- 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.
- Our road assets connect the Hinterlands to the Urban Cities thus enabling the setting up of new industries, provision of health care and education facilities.
- Facilitates the local growth of people and economy through project manager that engages the locals and provides them with employment opportunities.
- Employees are important stakeholders and valuable assets for the organization and their safety and welfare is ensured by the Investment Manager and Project Manager.

## GOVERNANCE

Shrem InvIT is subject to supervision and scrutiny by various regulatory authorities including various intermediaries as under:

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

Good governance is a moral stance of the Management, which is committed to create value for all stakeholders on ethical principles. The Trust endeavors to implement the code of Corporate Governance in its true spirit.

The Investment Manager ensures good corporate governance practices by adopting various policies such as UPSI Policy, Determination of Materiality of information Policy, Related Party Transactions Policy, Code of Conduct, Borrowing Policy, Distribution Policy, Documents Archival Policy, Appointment of Auditors and Valuer Policy to carry on the business of the Trust in an ethical manner and ensures that parties to the Trust adhere to the Code of Conduct for business as adopted.

We are committed towards the adoption of best corporate governance practices that goes beyond compliance with the law. We understand the importance of doing business right – 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 better regulatory framework in the interest of all stakeholders.

The Trust is managed by Investment Manager where 50% 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 contribution in development of infrastructure sector and Banking over last multiple decades.

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

Our Trustee has been playing 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.



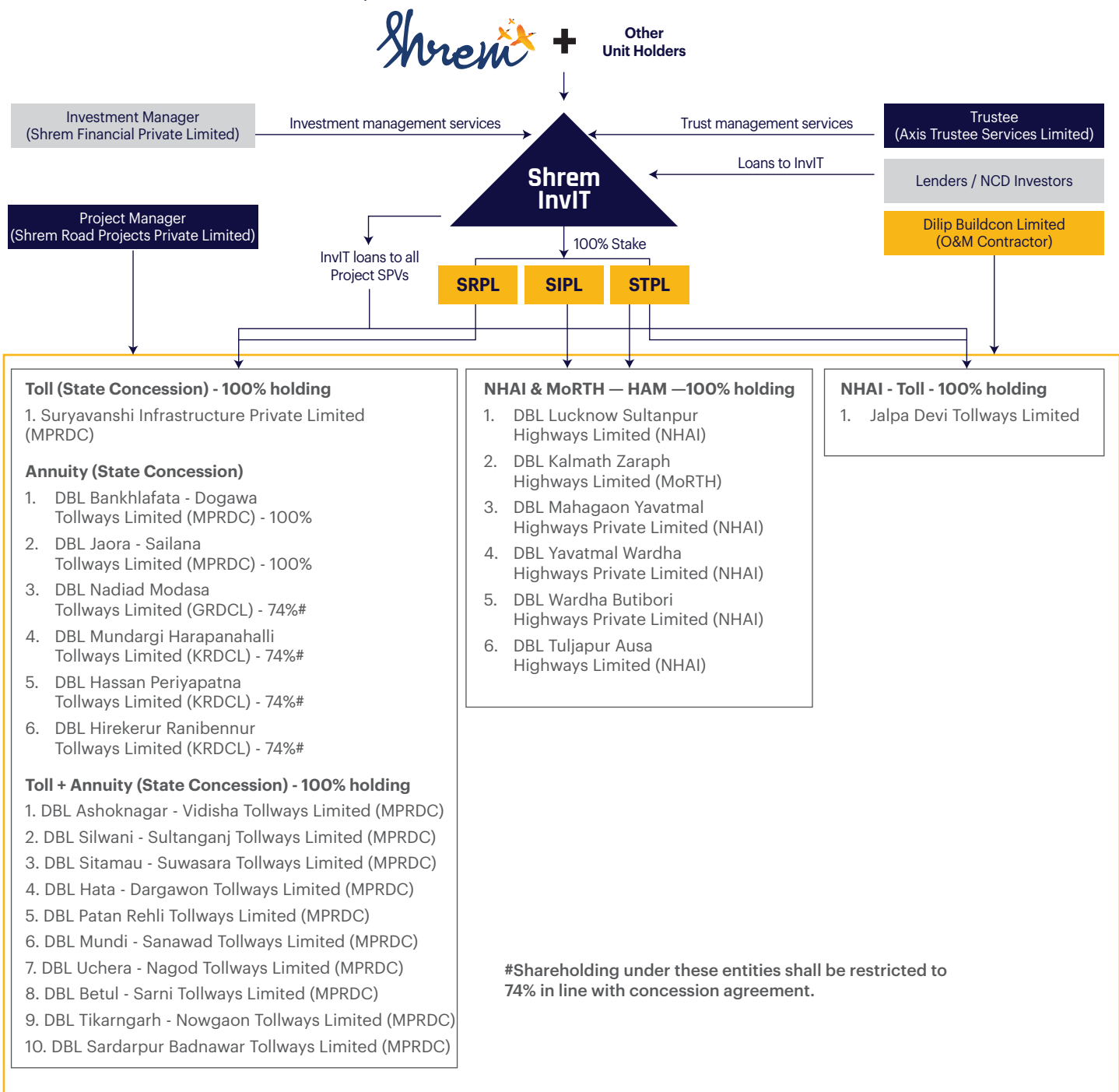
All images are shot at location

## STRUCTURE OF INVIT & BRIEF PROFILES OF PARTIES TO THE INVIT

The key parties involved in an InvIT are the Sponsor, Trustee, Investment Manager (who takes all the acquisition/ divestment related decisions) and Project Manager. This structure is a standard structure, framed by the regulator attempts to minimize the risk to investors and facilitates better corporate governance.

### Shrem InvIT Structure

Sponsor (Shrem Infra Structure Private Limited)





## A. Shrem Infra Structure Private Limited - Sponsor

Shrem Infra Structure Private Limited (SISPL) is the Sponsor of Shrem InvIT.

Since March 2017, SISPL is actively engaged in road development. SISPL committed its first investment in road sector in March 2017 and gradually had built a portfolio of 24 operational road assets. It is in process of acquiring and expanding its portfolio by acquiring another 10 operational road assets.

Board of Directors of SISPL are as follows:

DIN	Name
00115575	Nitan Chhatwal
00116943	Smita Chhatwal
02919669	Krishani Chhatwal
03182609	Shyam Sunder Malani

## B. Axis Trustee Services Limited - Trustee

Sponsor has appointed Axis Trustee Services Limited (ATSL) as the Trustee of Shrem InvIT in accordance with the SEBI InvIT Regulations, 2014. ATSL is a debenture trustee registered with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, having registration number IND000000494. The Trustee is promoted by Axis Bank Limited for providing corporate and other trusteeship services.

The Trustee is independent to Sponsor and Investment Manager and is entrusted with the custody of the assets ensuring highest standards of corporate governance.

## C. Shrem Road Projects Private Limited - Project Manager

Shrem Road Projects Private Limited (SRPPL) is the Project Manager for Shrem InvIT.

The Project Manager will be supervising all operation and maintenance of entire portfolio of Shrem InvIT including the present portfolio of 24 projects.

Board of Directors of SRPPL are as follows:

DIN	Name
03260905	Vineet Taparia
07954688	Piyush Sheetalchand Jain

## D. Shrem Financial Private Limited - Investment Manager

Shrem Financial Private Limited (SFPL) is the Investment Manager for the Trust. SFPL manages the day to day affairs and oversees administrative function of Shrem InvIT and takes decision in regards to future acquisition, divestment, fund raising etc.

The Investment Manager 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 until September 2017 and subsequently divested its entire shareholding in Shrem Resort Private Limited (now Zon Hotels Private Limited).

### Strategic role of Investment Manager:

- Possesses wide and varied experience of investment management services including fund management particularly in this sub sector, O&M experience and manages necessary resources for underlying assets efficiently.
- Provide administrative services in accordance with the provisions of Investment Management Agreement and SEBI InvIT Regulations, 2014.
- Make prudent investment (asset acquisition and disposal) decisions to ensure growth and perpetuity of the InvIT.
- Make timely distributions to the Unitholders, safeguarding interest of unitholders and improving returns from the InvIT by building an efficient capital structure.
- Timely dissemination of statutory and material information and grievance redressal of Unitholders.

### Board of Directors of Shrem Financial Private Limited - Investment Manager:

In order to maintain independence of the Investment Manager has a judicious combination of Executive Director, Non-Executive and Independent Directors ("the Board"). As on date, the Board 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 Directors are astute professionals coming from varied backgrounds possessing rich experience and expertise which cover a broad range of commercial experience, particularly, experience in infrastructure sector, investment management and financial matters.



**Mr. Nitán Chhatwal**  
Chairman

He is the Chairman of Board of Directors & first - generation entrepreneur with experience of over 30 years in establishing businesses and managing investments.

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 start hotels in Goa and is currently developing another hotel in Mumbai.

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



**Mrs. Smita Nitán Chhatwal**  
Director

She holds Diploma in Textile designing from the South Delhi Polytechnic for Women.

Over 20 Years of Experience in the fields of operations and administration in the infrastructure, real estate and hospitality sectors.

Prior to joining the Sponsor, she was associated with Viraj Profiles Limited as a director.



**Mr. Pradeep Singh**  
Independent Director

He is Chairman of Investment Nomination and Remuneration Committee.

He has 42 years of work experience in government, private sector, and academia.

From 1978 to 1995, as an IAS officer 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, Pradeep 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 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.



**Mr. Suneet K Maheshwari**  
Independent Director

He is the Chairman of Audit Committee & an infrastructure and financial services thought leader.

He has over 38 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 Exec Vice President - 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, serving on the board of directors of various companies, such as Mahindra Manulife Trustee Private Limited, Antony Lara Enviro Solutions Private Limited, Antony Waste Handling Cell Limited, AG Enviro Infra Projects Private Limited, and he is a designated partner in Udvik Infrastructure Advisors LLP.

Besides being a Science graduate from University of Bombay (Mumbai) and an MBA from University of Poona (Pune), he has also completed Executive Training Programs from Harvard Business School in Restructuring of FIs & Banks and Strategy and Operations Strategy & Management.



**Mr. Anurag Kumar Sachan**  
Independent Director

He is the Chairman of Stakeholders Relationship Committee. A professional with techno-commercial skills backed by a strong track record of 37 years of experience in project and contract management, bidding process, arbitration, dispute resolution, freight operation, maintenance and human resource development.

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

He is Bachelor of Civil Engineering, MNIT Bhopal 1975 – 1980.



**Mr. Nikhil Pareek**  
Director

He has been associated with 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 17 years of experience in the fields of banking, debt syndication, private equity, 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 Road sector with few consultancy firms and completed many assignments for reputed Infrastructure Developers.

He is a science Graduate from JNVU, Jodhpur and an MBA Finance from ICFAI Business School, Hyderabad.

## Our Management Team: Mr. Hitesh Chhatwal

He has over 25 years of experience in handling projects and is responsible for managing Project development & Joint development partnerships of Shrem Group.

He 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 USA, Middle-East and Korea.

## Mr. Mukesh S. Jain:

He has been associated with 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 17 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 in Road sector with few consultancy firms and completed many assignments for reputed Infrastructure Developers.

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

## Mr. Piyush Jain:

He has been associated with 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.

Over 10 years of work experience in India & Australia in Management Consulting and Research roles.

Worked with a Boutique Management Advisory firm, MSCI and Moneybee Securities. Worked with clients from across sectors primarily Infrastructure, Real estate, Retail & Hospitality on debt syndication and rating advisory.

He holds MBA (Finance) from University of Technology Sydney, Australia and a bachelor's degree in Commerce from the University of Mumbai.

## Mr. S L Kothari:

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

He has experience working as CFO, for over 20 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.

He served at MBL Infrastructures Limited as the “group CFO and executive director – finance and commercial”, from August 2018 till July 2019.

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

## Board Committees of Investment Manager

In compliance with both the mandatory and non - mandatory requirements under all the applicable laws, your Investment Manager constituted the following Committees:

- i) Audit Committee.
- ii) Investment Nomination and Remuneration Committee
- iii) Stakeholders Relationship Committee

## The Composition of the Committees is as follows: Audit Committee

**Mr. Suneet Maheshwari**  
(Independent Director) - Chairman

**Mr. Anurag Kumar Sachan**  
(Independent Director)

**Mr. Nikhil Pareek**  
(Director)

## Investment Nomination & Remuneration Committee

**Mr. Pradeep Singh**  
(Independent Director) - Chairman

**Mr. Suneet K Maheshwari**  
(Independent Director)

**Mr. Anurag Kumar Sachan**  
(Independent Director)

## Stakeholders Relationship Committee

**Mr. Anurag Kumar Sachan**  
(Independent Director) - Chairman

**Mr. Pradeep Singh**  
(Independent Director)

**Mr. Nikhil Pareek**  
(Director)



All images are shot at location

# INVESTMENT MANAGER'S REPORT

## Activities of the Trust:

Shrem InvIT ("InvIT") has been set-up by the Shrem Infra Structure Private Limited ("Sponsor") as an irrevocable trust under the provisions of the Indian Trusts Act, 1882. The Sponsor has appointed Axis Trustee Services Limited as a Trustee of the InvIT and executed Trust Deed on December 31, 2020. The Trust is registered as an Infrastructure Investment Trust with SEBI under the SEBI InvIT Regulations, 2014 on February 4, 2021, having registration number IN/InvIT/20-21/0017. The InvIT has been mainly formed to invest in infrastructure assets primarily being in the road sector in India. All the Fund's Road projects are implemented and held through special purpose vehicles.

The InvIT currently is involved in owning, operating and maintaining a portfolio of 24 road assets, aggregating to approximately 6,442.35 lane kilometers in the states of Maharashtra, Gujarat, Madhya Pradesh, Karnataka and Uttar Pradesh pursuant to the concessions granted by the National Highways Authority of India ("NHAI"), Ministry of Road Transport and Highway Government of India (MoRTH), Government of State of Gujrat (GoG),

Madhya Pradesh Road Development Corporation of India (MPRDC) and Karnataka Road Development Corporation Limited of India (KRDC). The units issued by the Trust are listed on the National Stock Exchange of India Limited ("NSE") since 22nd September 2021.

The InvIT has acquired 100% Equity Stake in three Intermediary Holding Companies ("Holdcos") from the Sponsor and other equity holders which in turn holds 24 wholly owned subsidiaries. Thus InvIT acquired 24 Road Assets as an initial portfolio through 3 Securities Purchase Agreements entered into on August 11, 2021. The InvIT has issued its Units on private placement basis to the Sponsor and other equity holders of the Holdcos in consideration of such acquisition. The InvIT listed its units on National Stock Exchange (NSE) during the month of September 2021.

## Financial summary:

The Summary of financial information on Consolidated & Standalone Financial Statement of the InvIT as on March 31, 2022, are as follows:

(Amt in Lakhs)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Total Income	58,734.79	-	39,522.21	-
Total Expenditure	29,298.65	-	15,964.02	335.62
Profit before tax	29,436.14	-	23,558.19	(335.62)
Less: Provision for tax	-	-	-	-
Current tax	(222.15)	-	-	-
Deferred tax	(102.40)	-	-	-
Tax of earlier period	(103.04)	-	-	-
Profit after tax	29,863.73	-	23,558.19	(335.62)
Profit & Loss attributable to:				
(a) Owners of parent	29,196.01	-	-	-
(b) Non-controlling interest	667.71	-	-	-
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	29,196.01	-	23,558.19	(335.62)
Add: Profit at the beginning of the year	(335.62)	-	(335.62)	-
Distribution made during the year	(15,375.14)	-	(15,375.14)	-
Other comprehensive income/(loss) for the period	-	-	-	-
Balance Carried Forward to Balance Sheet	13,485.26	-	7,847.43	(335.62)

## GEARING RATIOS OF THE INVIT AS AT THE END OF THE YEAR:

(Amt in Lakhs)

Particulars	Amount	Amount
Enterprise Value		6,60120
Outstanding SBI Debt	3,20606	
Less: Cash & Cash equivalent	(63247)	
Net Debt at InvIT		2,57359
<b>Debt to Equity</b>		<b>38.99%</b>

## OPERATING EXPENSES OF INVIT:

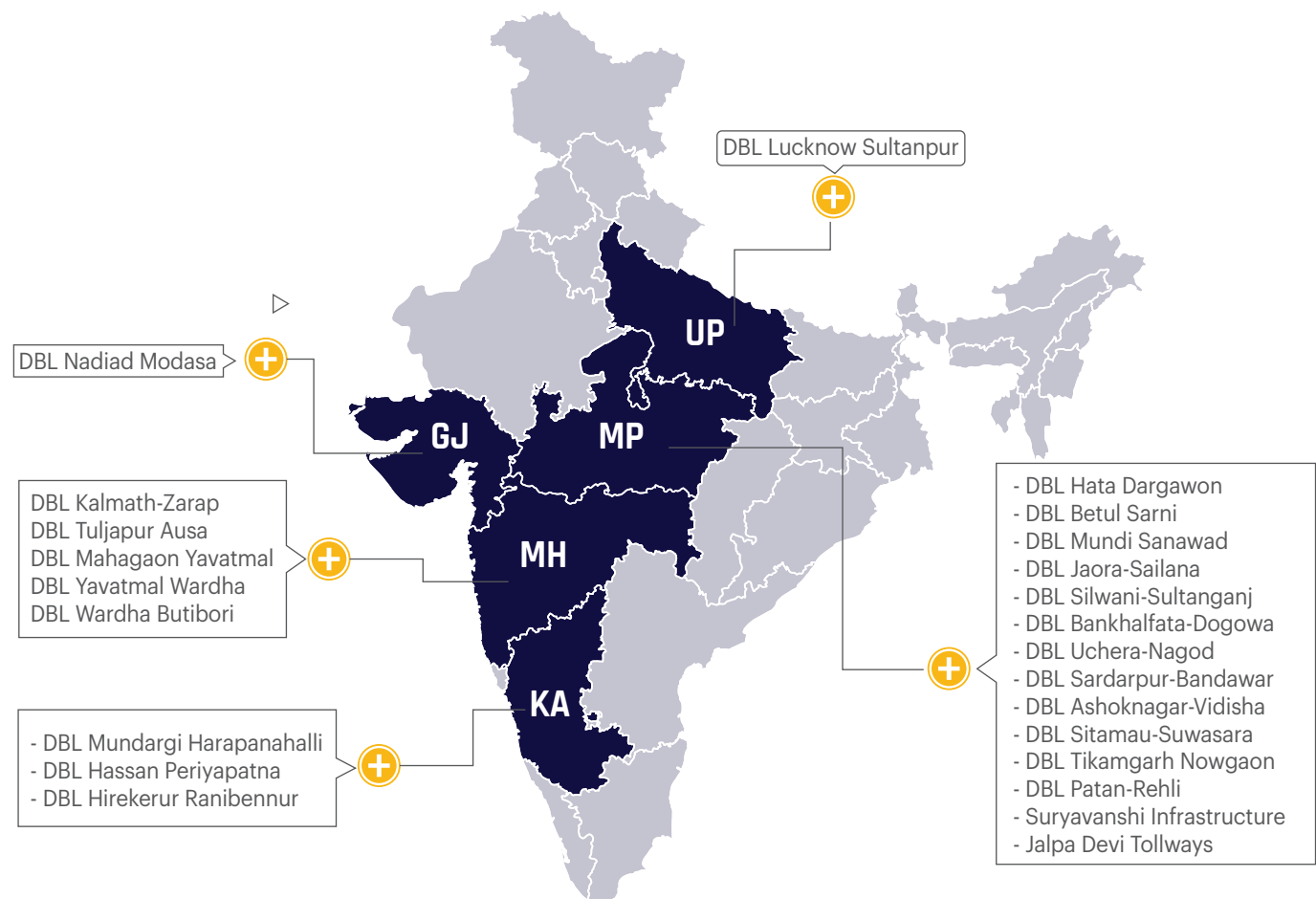
(Amt in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2022
(i)	Audit Fees	10.60
(ii)	Legal & professional fees	82.79
(iii)	Rent, Rates & Taxes	32.87
(iv)	Miscellaneous	0.65
(v)	Initial issue expenses	2591.45
(vi)	Registration & Stamp Duty	17.42
(vii)	Insurance Expenses	3.26
(viii)	Interest on Statutory dues	0.02
(ix)	Listing Fees	10.50
(x)	Investment Manager Fees	627.33

## OUR ASSET PORTFOLIO:

The Projects, consisting of both National Highways and State Highways, are located in five different States of

India i.e. Madhya Pradesh, Maharashtra, Uttar Pradesh, Gujarat and Karnataka.



## 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 Zarp Highways Limited ("DKZHL")	Augmenting the existing road from kilometer 406.030 to kilometer 450.170 (43.905 kilometer) on the Kalmath-Zarp 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
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	Maharashtra
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 Limited ("DAVTL")	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-Dargawan Tollways Limited ("DHDTL")	Augmenting the existing road from kilometer 0.00 (Damoh naka in Ilatta town) to kilometer 64.40 (at Dargawan 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

## 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
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
13	DBL Uchera-Nagod Tollways Limited ("DUNTLL")	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 Limited ("DNMTL")	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



## 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
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
20	DBL Mundargi Harapanahalli Tollways Limited ("DMHTL")	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 Limited ("DHRTL")	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

\*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.



All images are shot at location

## DETAILS OF PROJECT-WISE REVENUE AND EXPENDITURE AND EBITDA DURING THE YEAR FROM THE UNDERLYING PROJECTS:

The Projects are divided into four types, based 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 cash flow for whole year. These figures are not comparable with audited financial statements based on IndAS and since commencement of operations by Shrem InvIT with effect from 15-9-2021

### a. HAM & NHAI Toll (JDTL)

(Amt in Lakhs)

Particulars	Lucknow Sultanpur	Kalmath Zarap	Mahagaon Yavatmal	Tuljapur Ausa	Wardha Butibori	Yavatmal Wardha	Jalpa Devi
Net Annuity Income	16421.80	9311.36	8791.54	5320.49	8465.62	9478.94	-
Toll Income	-	-	-	-	-	-	1346
Other Income	598.01	1426.30	293.30	213.38	780.55	95.91	72.84
<b>Total Income (A)</b>	<b>17019.82</b>	<b>10737.66</b>	<b>9084.83</b>	<b>5533.87</b>	<b>9246.17</b>	<b>9574.85</b>	<b>13537.46</b>
O&M Exp	1654.00	828.00	444.00	500.00	1277.00	871.50	418.75
Other Expenses	1241.05	2503.04	922.03	705.69	926.77	734.66	2481.31
<b>Total Expenses (B)</b>	<b>2895.05</b>	<b>3331.04</b>	<b>1366.03</b>	<b>1205.69</b>	<b>2203.77</b>	<b>1606.16</b>	<b>2900.06</b>
<b>EBITDA (A)-(B)</b>	<b>14124.76</b>	<b>7406.61</b>	<b>7718.81</b>	<b>4328.17</b>	<b>7042.39</b>	<b>7968.70</b>	<b>10637.40</b>

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

### b. State Assets: (Annuity Plus Toll & State Toll)

(Amt in Lakhs)

Particulars	Ashonagar	Hata	Mundi	Patan	Sardarpur	Silwani
Net Annuity Income	987.84	1375.92	1622.88	3457.44	923.16	1860.04
Toll Income	194.02	183.43	459.51	495.44	207.2	380.55
Other Income	486.90	36.57	54.97	113.65	43.11	79.95
<b>Total Income (A)</b>	<b>1,668.76</b>	<b>1,595.92</b>	<b>2,137.36</b>	<b>4,066.53</b>	<b>1,173.47</b>	<b>2,320.54</b>
O&M Exp	95.59	141.96	128.57	195.54	69.64	131.25
Other Expenses	125.43	565.99	297.46	1,149.58	174.73	394.53
<b>Total Expenses (B)</b>	<b>221.02</b>	<b>707.95</b>	<b>426.03</b>	<b>1345.12</b>	<b>244.37</b>	<b>525.78</b>
<b>EBITDA (A)-(B)</b>	<b>1,447.74</b>	<b>887.97</b>	<b>1,711.33</b>	<b>2,721.41</b>	<b>929.10</b>	<b>1,794.76</b>

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

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	723.24	1,746.36	1,658.16	-	3,034.08
Toll Income	345.82	426.68	430.35	630.79	904.55
Other Income	43.91	88.28	55.72	32.55	96.76
<b>Total Income (A)</b>	<b>1,112.97</b>	<b>2,261.32</b>	<b>2,144.23</b>	<b>663.34</b>	<b>4,035.39</b>
O&M Exp	53.50	166.07	112.50	101.79	275.93
Other Expenses	169.42	963.58	549.71	109.92	408.07
<b>Total Expenses (B)</b>	<b>222.92</b>	<b>1,129.65</b>	<b>662.21</b>	<b>211.71</b>	<b>684.00</b>
<b>EBITDA (A)-(B)</b>	<b>890.05</b>	<b>1,131.67</b>	<b>1,482.02</b>	<b>451.63</b>	<b>3,351.39</b>

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

## DETAILS OF PROJECT-WISE REVENUE AND EXPENDITURE AND EBITDA DURING THE YEAR FROM THE UNDERLYING PROJECTS:

### c. State Assets: (Annuity)

(Amt in Lakhs)

Particulars	Hassan	Hirekerur	Nadiad	Mundargi	Jaora	Banklafata
Net Annuity Income	5,150.88	3,845.52	3,390.53	3,475.08	2,363.76	1,940.40
Toll Income	-	-	-	-	-	-
Other Income	10.35	206.36	35.45	23.24	30.26	25.83
Total Income (A)	5,161.23	4,051.88	3,425.98	3,498.32	2,394.02	1,966.23
O&M Exp	523.69	380.71	211.61	343.39	182.14	123.21
Other Expenses	865.85	759.78	840.94	732.97	605.16	438.18
Total Expenses (B)	1,389.54	1,140.49	1,052.55	1,076.36	787.30	561.39
EBITDA (A)-(B)	3,771.69	2,911.39	2,373.43	2,421.96	1,606.72	1,404.84

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

## INVESTOR COMPLAINTS

The status of complaints is reported to the Board, Trustee, and the stock exchange on a quarterly basis. During period ended March 31, 2022, there were no

investor complaints received. Status report on number of investor complaint received and replied by the Trust for the financial year 2021-22:

### Investor complaints for the Financial Year ended March 31, 2022

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

## BOARD MEETINGS:

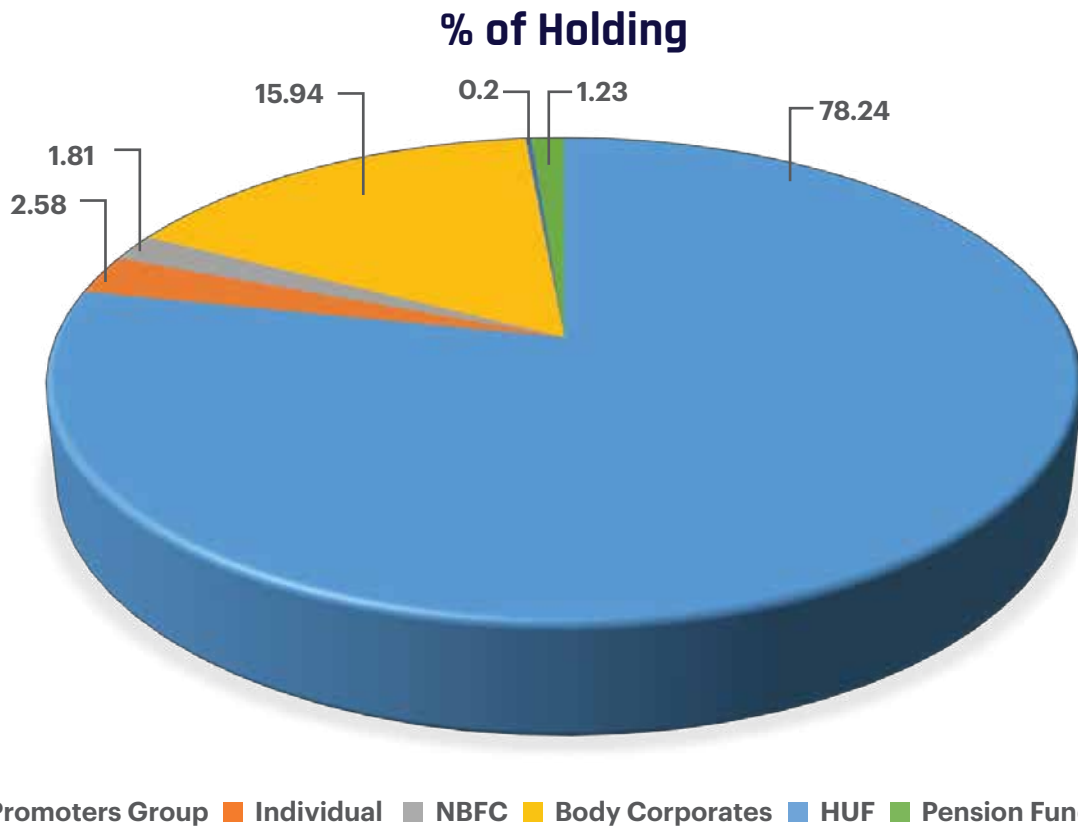
During the financial year the Board of Directors met six times on July 21, 2021, September 20, 2021, 10:00 a.m., September 20, 2021 01:30 p.m., October 26, 2021,

January 24, 2022 and February 11, 2022 attendance of directors in meetings are as follow:

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

Further, resolutions by circulation were passed by the Board of Directors on September 3, 2021, October 6, 2021 and February 16, 2022.

## UNITHOLDING PATTERN



All images are shot at location

# MANAGEMENT DISCUSSION AND ANALYSIS

Shrem InvIT is set-up for the purposes of carrying on the activity as an Infrastructure Investment Trust and for making investments in the road infra-projects and/or securities of Indian companies that are carrying on businesses in infrastructure sector, in accordance with the InvIT Regulations. InvIT got registered with SEBI on February 4, 2021. The InvIT has acquired 100% shareholding in 20 Project SPVs and 74% shareholding in 4 Project SPVs (on account of shareholding requirements under the relevant concession agreements) through 3 Intermediary Holding Companies, which maintain and operate road assets aggregating to approximately 6,442.35 lane kilometers, located across five states in India (the "Projects").

The InvIT as an investment platform offers attractive investment opportunities and is expected to take wings, given the huge

government outlay for infrastructure projects. The government has identified InvIT as a way to attract large institutional long-term investors in 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 profile, and taxation advantage.

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.

## 1. Industry Review - India's infrastructure opportunity:

India has the second-largest road network in the world, spanning a total of 5.89 million kilometers (kms). Infrastructure sector is a key driver for the Indian economy. This sector is accountable for propelling India's overall development and adores intense focus from Government for introducing policies that would ensure time-bound formation of world class infrastructure in the country. The opportunities in the sector have seen an incremental curve over previous years and are growing to establish the sector as a key driver in India's development story at a high rate.

### **Increasing private sector involvement:**

Private sector is emerging as a key player across various infrastructure segments, ranging from roads and communications to power and airports.

Private investment into physical and social infrastructure is key to putting India in a high growth trajectory, which will make it a US\$ 5 trillion economy by 2024-25.

Yearly private equity (PE) and venture capital (VC) investment in India is expected to surpass US\$ 65 billion in 2025.

### **Ministry Of Road Transport And Highways (MoRTH):**

As per Ministry of Road Transport and Highways (MoRTH), previous year was the year of consolidation of the gains that accrued from major policy decisions taken in the previous six years, a time for monitoring of ongoing projects, tackling roadblocks and adding to the already impressive pace of work achieved last year. The Ministry provided several relief measures to enable the highway sector to overcome the debilitating impact of the second wave of COVID-19.

During the year the MoRTH and its associated organizations have carried forward the good work of the previous years, expanding the National Highways network in the country, taking various steps to make these highways safe for the commuters and making best efforts to minimize adverse impact on the environment. As a result, in the past seven years, length of National Highways has gone up from 91,287 km (as of April 2014) to 1,41,190 km as on March 31, 2022, out of the set target of 2,00,000 kms for 2024-25. The Ministry has scaled new heights in expanding the Highway infrastructure throughout the country, despite of COVID-19 pandemic.

The MoRTH has envisaged an ambitious highway development programme Bharatmala Pariyojana which includes development of about 65,000 km NHs. Under Phase-I of Bharatmala Pariyojana, the MoRTH has approved implementation of 34,800 km of NHs in 5 years (2017-18 to 2021-22) with an outlay of 5,35,000 crore. 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. This includes 5,000 km of the national corridors, 9,000 km of economic corridors, 6,000 km of feeder corridors and inter corridors, 2,000 km of border roads, 2,000 km of coastal roads and port connectivity roads and 800 km of green field expressways. Phase I will also subsume 10,000 km of balance roadworks under the NHDP. According to the MoRTH Annual Report 2021-22, Bharatmala Pariyojana envisages 60% projects on Hybrid Annuity Mode, 10% projects on BOT (Toll) Mode and 30% projects on EPC mode respectively. 604 road projects with an aggregate length of 20,965 km have been approved and awarded under Bharatmala Pariyojana, including 131 of residual NHDP works of aggregate length of 5,529 kms with a total capital cost of ` 6,41,713 cr (up to 31.12.2021). (Source: MoRTH Annual Report 2021-22).

The MoRTH achieved the record-breaking milestone of constructing 37 km highways per day in fiscal years 2020-21 from 28 km highways per day in fiscal years 2019- 2020. (Source: MoRTH press release titled “Year End Review 2021: Ministry of Road Transport and Highways” dated December 31, 2021). Despite COVID 19, MoRTH has constructed 10,457 km of National Highways up to March in 2021-22 as compared to 13,327 km in 2020- 21 and awarded 12,731 km of National Highway in the fiscal year 2021-22 as compared to 10,964 km in the previous year. The pace of execution has been impacted in fiscal year 2021-22, owing to prolonged monsoons which has affected productive days for an extended period.

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

The seven drivers of PM Gati Shakti are Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistics Infrastructure. The scope of PM Gati Shakti National Master Plan will encompass all seven drivers for economic transformation, seamless multimodal connectivity and logistics efficiency. The projects in the National Infrastructure Pipeline will be aligned with the PM Gati Shakti framework. The PM Gati Shakti master plan for expressways will be formulated in 2022-23 to facilitate

faster movement of people and goods. The National Highways network will be expanded by 25,000 km in 2022-23. (Source: Highlights of the Union Budget 2022-23, February 1, 2022).

#### **Strong momentum in expansion of roadways:**

- **High Budgetary Allocation for Infrastructure**

- In Union Budget 2022-23, the government has given a massive push to the infrastructure sector by allocating Rs. 10 lakh crore (US\$ 130.57 billion) to enhance the infrastructure sector.
- The government expanded the ‘National Infrastructure Pipeline (NIP)’ to 9,335 projects. ~217 projects worth Rs. 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020.

- **Improvement in logistics:**

- In 2020, India’s US\$ 215 billion logistics sector was one of the largest worldwide and increased at a CAGR of 10% to US\$ 320 by 2025.
- India was ranked second\* in the 2021 Agility Emerging Markets Logistics Index.

- **Rising foreign direct investment (FDI) in the sector:**

FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.17 billion and US\$ 26.30 billion, respectively, between April 2000-December 2021.

- **Strong momentum in expansion of roads & highways:**

- Highway construction in India increased at a CAGR of 21.44% between FY16-FY19. In FY19, 10,855 kms of highways were constructed. The Government of India aims to construct 65,000 kms of national highways at a cost of Rs. 5.35 lakh crore (US\$ 741.51 billion) by 2022.
- The national highways will be expanded by 25,000 kilometers with a funding outlay of Rs. 20,000 crore (US\$ 2.61 billion).
- In March, Mr. Nitin Gadkari, Minister for Road Transport and Highway inaugurates 19 National Highway projects in Haryana and Rajasthan totaling Rs 1,407 crore (US\$ 183.9 million).
- By 2024, the Ministry of Road Transport and Highways wants to build 60,000 kms of world-class national highways at a rate of 40 kms each day.
- To transform road infrastructure in Punjab, Haryana

and Rajasthan, the Indian government has planned to construct roads extending 313 kms for Rs. 11,000 crore (US\$ 1.48 billion).

- In September 2021, the Indian government announced road projects worth Rs. 1 lakh crore (US\$ 13.48 billion) to develop road infrastructure in Jammu and Kashmir. The region also recorded growth in national highways, from 7 in 2014 to 11 in 2021.
- In September 2021, the Maharashtra government approved a 173.7-kilometre long outer-ring road project, worth Rs. 26,831 crore (US\$ 3.61 billion), in Pune.
- In FY22, government initiatives such as the National Infrastructure Pipeline, National Monetisation Pipeline, Bharatmala Pariyojana, changes in the Hybrid Annuity Model (HAM) and fast pace of asset monetization to boost road construction.
- As of October 2021, the Ministry of Road Transport and Highways constructed national highways extending 4,450 kms compared with 4,956 kms, as of October 2020.
- In August 2021, Union Minister of Road Transport Highways, Mr. Nitin Gadkari announced to launch 1,080-km (road construction) projects worth Rs. 25,370 crore (US\$ 3.4 billion) in Gujarat under the Bharatmala Pariyojana—the ambitious road and highways project that aims to build highways from Maharashtra, Gujarat, Rajasthan, Punjab, Haryana and then cover the entire string of Himalayan territories.

Under the Union Budget 2022-23, the Government of India has allocated Rs. 199,107.71 crore (US\$ 26.04 billion) to the Ministry of Road Transport and Highways.

The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18% capital expenditure over FY 2019-25.

#### • Growth in Public -Private Participation

- In FY21, there were 125 PPP projects worth US\$ 23.25 billion in India.

NHAI targets 450 kilometers of the Build-operate-transfer (BOT) projects in FY22 and is looking forward to bidding out 600-1000 kilometers of highway stretch under the Build-operate-transfer (BOT) model as of November 2021.

#### Outlook:

The InvIT predominantly has fixed annuity assets and largely insulated against volatilities in traffic resulting

from lockdowns. To further accelerate the development of road infrastructure and enable seamless connectivity across country while reducing overall logistics costs at the same time, the Government of India (GoI) has lined up INR 1.99 lakh crore for the road and highway sector in the Union Budget for 2022-23, increasing it by 68%.

The ambitious target for expanding the National Highways network by 25,000 km in 2022-23 at an all-time high pace of over 68 km per day compared with around 37 km per day achieved, the highest so far, in 2020-21. While models such as hybrid annuity and toll-operate transfer have supported the government's ambitious plans, initiatives such as PM Gati Shakti Yojana and Bharatmala Pariyojana will play a key role in the growth of road and highway infrastructure sector going forward.

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

## 2. Distribution:

TAs 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.

The Shrem InvIT has made distribution twice during the financial year on quarterly basis in accordance with its Distribution Policy.

For FY 2021-22, the Net Distributable Cash Flow (NDCF) of the Trust was Rs. 291.62 Crore, the Trust has distributed at least 100% of NDCF. The total pay-out from the NDCF for FY 2021-22 was Rs. 7.468 per unit to the unitholders.

## 3. Factors affecting results of 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:

#### • Inflation and Interest rate risk:

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.

- **Lower than expected returns on our investment in our Projects:**

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.

- **The road sector in India:**

We derive and expect to continue to derive in the foreseeable future, most of our revenues and operating profits from India. Changes in macroeconomic conditions generally impact the road industry and could negatively impact our business. Accordingly, 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 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.

- **General economic conditions in India**

Our performance and the growth are dependent on the performance of the Indian economy, which, in turn, depends on various factors. The Indian economy has been affected by the recent global economic uncertainties, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture and various other macroeconomic factors.

Conditions outside India, such as a slowdown or recession in the economic growth of other major countries and regions, especially in U.S., Europe and China, have an impact on the growth of the Indian economy, and Government of India (GoI) policy may change in response to such conditions. While recent Indian governments have been focused on encouraging private participation in the infrastructure sector, any adverse change in policy could result in a further slowdown of the Indian economy. The rate of economic liberalisation could decrease, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. In the road sector, there can be no assurance that the GoI's engagement with and outreach to private sector operators, including the Trust, will continue in the future. A significant change in India's economic liberalisation and deregulation policies, in particular, those relating to the road sector, could disrupt business and economic conditions in India generally and our business, in particular. In addition, adverse developments in the Indian economy could also impact companies and banks that provide services to us. For example, on March 5, 2020, and November 17, 2020, respectively, the GoI, in consultation with RBI placed Yes Bank Limited and Lakshmi Vilas Bank under moratorium, imposed limitations on their operations as well as on withdrawals by depositors and payments to creditors over certain specified amounts for a limited period from the date of such moratorium coming into effect. The limitations on operations and the moratorium were subsequently lifted in both cases. The occurrence of any such development in the future may impact our banking channels, and we may or may not be able to recover our deposits, in part or in full. This could result in potential write-offs on our books of accounts. Additionally, an increase in trade

deficit or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, which could adversely impact the Indian economy and our business.

- **Dependence on support from governmental entities:**

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.

- **Tax benefits for road infrastructure sector in India:**

The Project SPVs are entitled for certain benefits under Section 80-IA of the Income Tax Act, 1961, as amended, if certain conditions are satisfied. However, the benefits to the Project SPVs may expire at various points of 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.

- **Competition:**

The Trust faces competition from other road operators, financial investors and other InvIT in acquiring profitable concessions for future projects. The competition for road projects varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. Some competitors may have greater financial resources, economies of scale and operating efficiencies than the Trust.

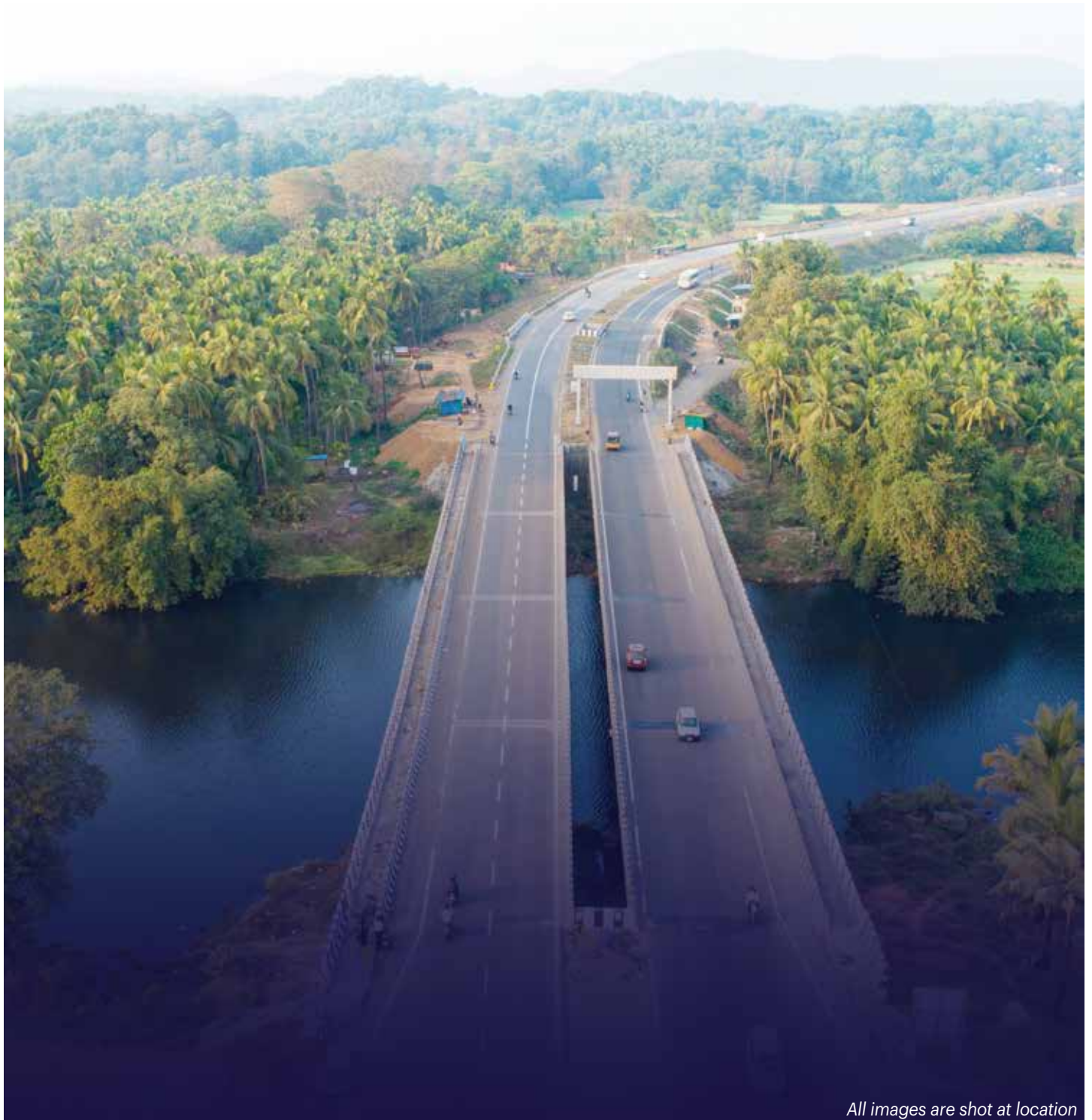
## 4. Summary of significant accounting policies

Please refer Note No. 2 of Consolidated Financial Statements for detail.

## 5. 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.



*All images are shot at location*

# SUMMARY OF VALUATION OF ASSETS AND NAV

The valuation has been conducted by Mr. S. Sundararaman, being an independent valuer (the “Valuer”) bearing IBBI registration number IBBI / RV / O6 / 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 31st within two months from the date of 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 with 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 derives 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 me 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, 2022:

Sr. No	Name of the company	Enterprise Value (INR Mn)
1	Suryavanshi Infrastructure Private Limited	290
2	DBL Nadiad Modasa Tollways Limited	1,074
3	DBL Sardarpur Badnawar Tollways Limited	281
4	DBL Silwani-Sultanganj Tollways Limited	633
5	DBL Mundi-Sanawad Tollways Limited	621
6	DBL Sitamau-Suwasara Tollways Limited	330
7	DBL Uchera - Nagod Tollways Limited	812
8	DBL Jaora-Sailana Tollways Limited	830
9	DBL Bankhlfata-Dogawa Tollways Limited	645
10	DBL Ashoknagar-Vidisha Tollways Limited	443

Sr. No	Name of the company	Enterprise Value (INR Mn)
11	DBL Betul-Sarni Tollways Limited	1,773
12	DBL Tikamgarh Nowgaon Tollways Limited	924
13	DBL Hata Dargaon Tollways Limited	681
14	DBL Patan Rehli Tollways Limited	2,208
15	DBL Mundargi Harapanahalli Tollways Limited	864
16	DBL Hassan Periyapatna Tollways Limited	1,369
17	DBL Hirekerur Ranibennur Tollways Limited	1,047
18	DBL Lucknow Sultanpur Highways Limited	10,085
19	DBL Kalmath Zarap Highways Limited	3,951
20	DBL Yavatmal Wardha Highways Private Limited	3,855
21	DBL Mahagaon Yavatmal Highways Private Limited	4,867
22	DBL Wardha Butibori Highways Private Limited	4,571
23	DBL Tuljapur Ausa Highways Limited	3,611
24	Jalpa Devi Tollways Limited	20,247
<b>Total Enterprise Value</b>		<b>66,012</b>

## Calculation of Net Assets Value (NAV): NAV Working

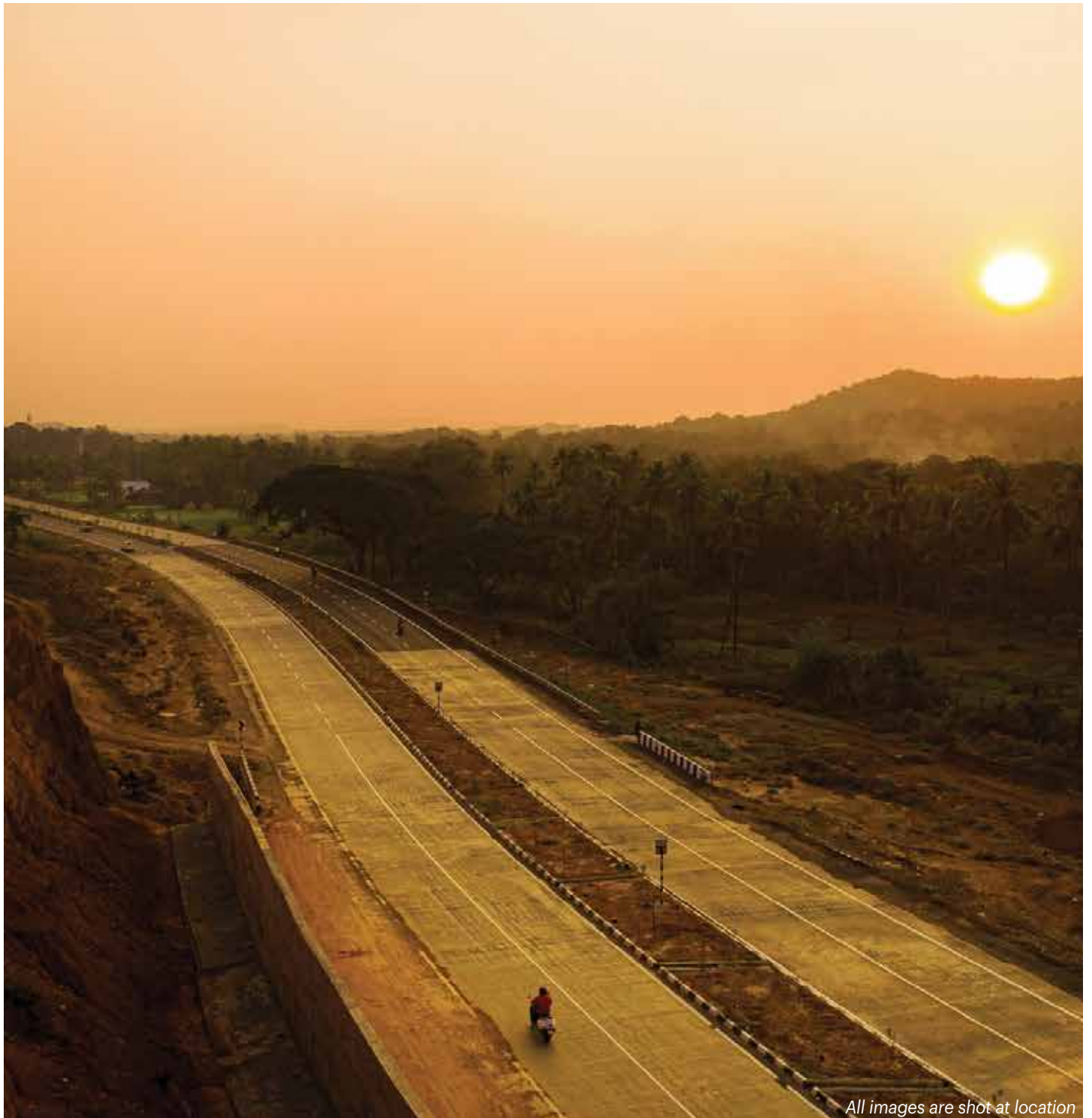
Particulars	(INR in Million)	(INR in Million)
<b>Operating EV</b>		66,012
Add: Liquidity with SPVs		
Cash & Bank with SPVs	148	
Add: Investments with SPVs	566	714
<b>Add: Liquidity with Hold Cos</b>		
Cash & Bank with 3 Hold Cos	77	
TDS Receivable	2	79
<b>Add: Liquidity with InvIT</b>		
Investments in Government Securities	2,069	
Investments in Others (Bonds, CPs, NCDs)	1,941	
Cash & Bank	141	
FDRs	1,387	5,539
<b>Working Capital Adjustment of InvIT</b>		
Current Assets		
Interest accrued on investments	39	
TDS Receivable	7	
<b>Current Liability</b>		
Less: other current liabilities	-2	
<b>Net Working Capital</b>		44
Less: Term Loan of InvIT		-32,061
Less: Present value of IM fee		-944
<b>Net Asset</b>		<b>39,384</b>
No. of Units		390.47
<b>Net Assets at Fair Value per unit as at March 31, 2022</b>		<b>100.86</b>

# 09

## CREDIT RATING

Shrem InvIT enjoys a long term debt rating of AAA (Stable) by ICRA and India Ratings and Research, a Fitch Group company, which signifies highest safety. This inter alia is on account robust cashflow cover, cash pooling benefit and structural features of InvIT. The rationale for which is available at the website <https://www.icra.in> and <https://www.indiaratings.co.in>, respectively.

The Credit Rating of the InvIT has been reviewed by the India Ratings & Research (Ind-Ra) pursuant to the InvIT Regulations, 2014 and circulars and notifications if any thereto. The India Ratings & Research (Ind-Ra) has reaffirmed rating of the Shrem InvIT rupee term loan rating at "IND AAA" which signifies "HIGHEST SAFETY". The Outlook is Stable.



All images are shot at location

# OTHER MANDATORY DISCLOSURES

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

## 1. Details of changes during the year

### a. Acquisition of Road Infra Assets:

The Shrem InvIT has executed a non-binding Term Sheet with Dilip Buildcon Ltd and its affiliates, on January 21, 2022, for acquiring entire equity stake in graduated manner in a portfolio of ten Hybrid Annuity Model (“HAM”) projects (as detailed in Table-1) which comprises three completed and seven nearing completion projects subject to necessary approvals. Equity acquisition from Dilip Buildcon Ltd. and its affiliates shall be completed in a progressive manner after the completion of the projects, subject to receipt of approvals from the respective project lenders and NHAI.

The total Equity valuation of said ten projects is expected around Rs. 2,34900 Lakhs.

Subsequently, the Shrem InvIT has executed definitive agreements with the Dilip Buildcon Ltd. and its affiliates on March 3, 2022, to give effect and complete the transaction. The above valuation may undergo change based upon outcome of final due diligence and on account of prevailing Bank Rate, outstanding actual debt, inflation adjusted balance completion cost etc. of each of the projects on the actual transfer date.

**Table – 1**

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

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

FASTag System to get end soon as government of India mulling to collect toll based on distance travelled by a vehicle on a particular highway, may impact cash flow of the Trust.

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

Shem InvIT is holding 24 Road project SPVs through 3 intermediary holding companies. However, due to administrative and tax complexities, the management decided to opt for capital reduction in three Holdcos and in lieu of capital reduction all 24 road projects will be transferred to the InvIT. Each of three Holdcos have filed petition with NCLT for capital reduction.

## 2. Borrowings & repayment of borrowings

Standalone:

(Rs. in Lakhs)

Particulars	Opening Bal.	Received during the year	Repaid during the year	Closing Bal.
Secured Loan	-	3,36,400	15,794	3,20,606

**Consolidated:**

(Rs. in Lakhs)

Particulars	Opening Bal.	Received	Repayment	Closing Bal.
Secured Loan	-	3,36,400	15,794	3,20,606
Unsecured Loan	2,048	001	630	1,419

**3. Debt Maturity Profile:**

(Rs. in Lakhs)

Sr. No.	Financial Year	Amount
1	FY 22-23	25,382.00
2	FY 23-24	22,647.00
3	FY 24-25	30,881.00
4	FY 25-26	37,745.00
5	FY 26-27	33,283.00
6	FY 27-28	24,156.00
7	FY 28-29	18,084.00
8	FY 29-30	15,098.00
9	FY 30-31	16,126.00
10	FY 31-32	16,470.00
11	FY 32-33	16,127.00
12	FY 33-34	23,676.00
13	FY 34-35	29,509.00
14	FY 35-36	11,422.00
	<b>Total Outstanding</b>	<b>3,206,06</b>

**4. Performance of the InvIT with respect to Distributions, Unit Price, volume & yield:**

The Investment Manager has adopted the Distribution Policy to ensure proper, accurate and timely distribution for 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.

The Investment Manager on behalf of Shrem InvIT has made two distributions during the financial year 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	4.018	November 2, 2021	2.00	0.042	1.977
2	3.450	February 1, 2022	1.250	0.646	1.554

## Unit price and volume traded during the financial year.

*Price at the beginning of F.Y. (per unit) (Rs.)	Highest during the year (per unit) (Rs.)	Lowest during the year (per unit) (Rs.)	Price at the end of F.Y. (per unit) (Rs.)
100.00	104.25	100.00	103.00

## Average daily volume traded:

Month	Average daily volume
September, 2021	20,57,143
October, 2021	3,60,000
November, 2021	4,00,000
December, 2021	12,33,333
January, 2021	2,00,000
February, 2021	5,50,000
March, 2021	3,33,333

\*The units were allotted on September 20, 2021 and the same were listed on NSE w.e.f. September 21, 2022.

## Yield details:

Particulars	F.Y.21-22
Yield % based on average market price as on September 21 and March 31	*21.12%

\* Note: Distribution Made on May 6, 2022 of Rs. 13292 Lakhs has not been considered as the yield is required for March 31 and April 1.

## 5. Brief details of material and price sensitive information:

During the period, the Trust has been providing details of material and price sensitive information to the stock

exchanges from time to time, in accordance with the InvIT Regulations.

## 6. 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 has filed an application before

the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others, pursuant to section 138 of the Negotiable Instruments Act, 1881. The estimated amount involved in this matter is approximately ₹ 1,98,000. The matter is currently pending. The Respondents had entered into an agreement for purchase of land parcel for a project near Pune. The vendors were 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, 1888. The matter is being heard by the court and as an interim order, the Hon'ble court had directed the Respondents to deposit 20% of the claim amount. The same could not be deposited as the court's



- proceedings were disrupted due to COVID. by order dated 20.1.2021, the Court has directed the Respondents to produce original sale deeds of the property purchased from the complainant.
- ii. Vilas Shankar Dagade filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others, pursuant to section 138 of the Negotiable Instruments Act, 1881. The estimated amount involved in this matter is approximately ₹ 1,36,62, 000. The matter is currently pending. The Respondents i.e. the sponsors had entered into an agreement for purchase of land parcel for a project near Pune. The vendors were 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, 1888. The matter is being heard by the court and as an interim order, the Hon'ble court had directed the Respondents to deposit 20% of the claim amount. The same has been deposited within the prescribed period of time. Thereafter, the matter has not been heard due to COVID.
  - iii. Vilas Shankar Dagade filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others, pursuant to section 138 of the Negotiable Instruments Act, 1881. The estimated amount involved in this matter is approximately ₹ 8,41,5000. The matter is currently pending. The Respondents i.e. the sponsors had entered into an agreement for purchase of land parcel for a project near Pune. The vendors were 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, 1888. The matter is being heard by the court and as an interim order, the Hon'ble court had directed the Respondents to deposit 20% of the claim amount. The same has been deposited within the prescribed period of time. Thereafter, the matter has not been heard due to COVID.
  - iv. Sunita Shankar Dagade filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others, pursuant to section 138 of the Negotiable Instruments Act, 1881. The estimated amount involved in this matter is approximately ₹ 12,87,000. The matter is currently pending. The Respondents i.e. the sponsors had entered into an agreement for purchase of land parcel for a project near Pune. The vendors were 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, 1888. The matter is being heard by the court and as an interim order, the Hon'ble court had directed the Respondents to deposit 20% of the claim amount. The same has been deposited within the prescribed period of time. Thereafter, the matter has not been heard due to COVID.
  - v. Dhanashri Dagade filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others, pursuant to section 138 of the Negotiable Instruments Act, 1881. The estimated amount involved in this matter is approximately ₹ 1,98,000. The matter is currently pending. The Respondents i.e. the sponsors had entered into an agreement for purchase of land parcel for a project near Pune. The vendors were 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, 1888. The matter is being heard by the court and as an interim order, the Hon'ble court had directed the Respondents to deposit 20% of the claim amount. The same has been deposited within the prescribed period of time. Thereafter, the matter has not been heard due to COVID.
  - vi. Vilas Shankar Dagade filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others, pursuant to section 138 of the Negotiable Instruments Act, 1881. The estimated amount involved in this matter is approximately ₹ 2,47,50,000. The matter is currently pending. The Respondents i.e. the sponsors had entered into an agreement for purchase of land parcel for a project near Pune. The vendors were 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, 1888. The matter is being heard by the court and as an interim order, the Hon'ble court had directed the Respondents to deposit 20% of the claim amount. The same has been deposited within the prescribed period of time. Thereafter, the matter has not been heard due to COVID.
  - vii. Ganesh Bandal and others filed an application before the Chief Judicial Magistrate, Pune, against Shrem Trading LLP and others. The matter is currently pending and is being heard. Shrem Trading LLP has purchased land from Ganesh Bandal and the said land is now under dispute with Ganesh Bandal and his family
  - viii. The Authorities under the Benami Transactions (Prohibition) Act, 1988 ("Authorities") have filed a petition against PravinKumar Ostwal and Nitán

Chhatwal (“Respondents”) under the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976. The Respondents have approached the Appellate Tribunal for quashing the aforementioned petition. The matter is currently pending.

- ix. Milan Ratilal Dodhia (“Petitioner”) has filed a petition against Nitan Chhatwal, Smita Chhatwal and Hitesh Chhatwal (“Respondents”) before the Metropolitan Magistrates Court, Vikhroli (“Magistrate Court”). 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.

#### VI. Litigation involving the Trustee

There is currently no pending litigation involving the Trustee.

## 7. Details of change pertaining to Directors of the Trustee:

Details of the Board of Directors of the Trustee as on March 31, 2022, are mentioned below:

Sr. No.	Name of Director	DIN	Date of appointment
1	Mrs. Deepa Rath	09163254	May 1, 2021
2	Mr. Rajesh Kumar Dahiya	07508488	July 11, 2018
3	Mr. Ganesh Sankaran	07580955	April 18, 2019
4	Mr. Sanjay Sinha*	08253225	July 11, 2018

\* Mr. Sanjay Sinha retired w.e.f. April 30, 2021

Deepa Rath appointed as the Managing Director & CEO w.e.f. May 1, 2021.

## 8. Details of all Related Party Transactions during the year, value of which exceeds five percent of value of InvIT (assets)

Sr. No.	Transaction	Party Involved	Amt in Lakhs
1	Interest Income on NCDS	DBL Lucknow Sultanpur Highways Limited	4,287.20
2	Interim Dividend Received	Shrem Infraventure Private Limited	4,521.00
3	Interim Dividend Received	Shrem Roadways Private Limited	8,169.28
4	Issue of Unit Capital	Shrem Infrastructure Private Limited	2,45,524.03
5	Issue of Unit Capital	Shrem Investments Private Limited	31,235.03
6	Issue of Unit Capital	Chhatwal Group Trust	26,300.96
7	Issue of Unit Capital	RS Infra Advisors And Consultants Llp	26,160.30
8	Loan given to related parties	DBL Betul Sarini Tollways Limited	3,509.00
9	Loan given to related parties	DBL Kalmath Zaraph Highways Limited	9,105.23
10	Loan given to related parties	DBL Lucknow Sultanpur Highways Limited	19,302.19
11	Loan given to related parties	DBL Patan Rehli Tollways Limited	3,548.00
12	Loan given to related parties	DBL Wardha Butibori Highways Limited	5,471.00
13	Loan given to related parties	Jalpa Devi Toll Ways Limited	5,750.00
14	Loan given to related parties	Shrem Infrastructure Private Limited	35,891.16
15	Loan given to related parties	Shrem Roadways Private Limited	10,640.00
16	Loan given to related parties	Shrem Tollways Private Limited	18,189.70
17	Loan given to related parties	Shrem Financials Private Limited	5,959.39

Sr. No.	Transaction	Party Involved	Amt in lakhs
18	Repayment Loan from related parties	DBL Kalmath Zaraph Highways Limited	7,438.00
19	Repayment Loan from related parties	DBL Lucknow Sultanpur Highways Limited	19,302.19
20	Repayment Loan from related parties	DBL Wardha Butibori Highways Limited	5,471.00
21	Repayment Loan from related parties	Shrem Infraventure Private Limited	35,891.16
22	Repayment Loan from related parties	Shrem Roadways Private Limited	10,640.00
23	Repayment Loan from related parties	Shrem Tollways Private Limited	18,189.70
24	Investments made in NCDS	DBL Betul Sarini Tollways Limited	15,060.00
25	Investments made in NCDS	DBL Hassan Periyapatna Tollways Limited	8,141.00
26	Investments made in NCDS	DBL Hata Dargawon Tollways Limited	5,110.00
27	Investments made in NCDS	DBL Hirekekrur Ranibennur Tollways Limited	4,460.00
28	Investments made in NCDS	DBL Jaora Sailiana Tollways Limited	5,370.00
29	Investments made in NCDS	DBL Kalmath Zaraph Highways Limited	26,250.00
30	Investments made in NCDS	DBL Lucknow Sultanpur Highways Limited	75,567.00
31	Investments made in NCDS	DBL Mahagaon Yavatmal Highways Ltd	36,196.00
32	Investments made in NCDS	DBL Mundargi Harapanahalli Tollways Ltd	2,805.00
33	Investments made in NCDS	DBL Mundi Snawad Tollways Ltd	4,160.00
34	Investments made in NCDS	DBL Nadiad Modasa Tollways	4,100.00
35	Investments made in NCDS	DBL Patan Rehli Tollways Limited	11,850.00
36	Investments made in NCDS	BL Tikamgarh Nowgaon Tollways Ltd	6,520.00
37	Investments made in NCDS	DBL Tuljapur Ausa Highway Ltd	22,575.00
38	Investments made in NCDS	DBL Uchera Nagod Tollways Ltd	3,790.00
39	Investments made in NCDS	DBL Wardha Butibori Highways Pvt Limited	23,035.00
40	Investments made in NCDS	DBL Yavatmal Wardha Higways Pvt Ltd	26,584.00
41	Investments made in NCDS	Jalpa Devi Tollways Limited	54,720.00
42	Interim Dividend Paid	Shrem Infrastructure Pvt Ltd	7,979.53

## 9.Details Regarding the Monies Lent by the InvIT to the Special Purpose Vehicle in which it has investment in:

### Investment Made In NCD's

Sr. No.	Name of Step-Down Subsidiary	Amount in Lakhs
1.	DBL Ashoknagar-Vidisha Tollways Ltd	4,410.00
2.	DBL Bankhlfata-Dogawa Tollways Ltd	4,220.00
3	DBL Betul Sarni Tollways Ltd	15,060.00
4.	DBL Hassan Periyapatna Tollways Ltd	8,141.00
5	DBL Hata Dargawon Tollways Limited	5,110.00
6.	DBL Hirekerur Ranibennur Tollways Ltd	4,460.00
7.	DBL Jaora Sailana Tollways Ltd	5,370.00
8.	DBL Kalmath Zarap Highways Ltd	26,250.00
9.	DBL Lucknow Sultanpur Highways Ltd	75,576.00
10.	DBL Mahagaon Yavatmal Highways Pvt Ltd	36,196.00
11.	DBL Mundargi Harapanahalli Tollways Ltd	2,805.00
12.	DBL Mundi Sanawad Tollways Ltd	4,160.00
13.	DBL Nadiad Modasa Tollways Ltd	4,100.00
14.	DBL Patan Rehli Tollways Ltd	11,850.00
15.	DBL Sardarpur Badnawar Tollways Ltd	2,280.00
16.	DBL Silwani Sultanganj Tollways Ltd	3,100.00
17.	DBL Sitamau Suwasara Tollways Ltd	1,890.00
18.	DBL Tikamgarh Nowgaon Tollways Ltd	6,520.00
19.	DBL Tuljapur AUSA Highways Ltd	22,575.00
20.	DBL Uchera Nagod Tollways Ltd	3,790.00
21.	DBL Wardha Butibori Highways Pvt Ltd	23,035.00
22.	DBL Yavatmal Wardha Highways Pvt Ltd	26,584.00
23.	Jalpa Devi Tollways Limited	54,720.00

### 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.
- There were no material changes, events or material and price sensitive information to be disclosed for the trust.
- 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 InvIT issued 33,04,70,000 units to the unitholders pursuant to Securities Purchase Agreements and 6,00,00,000 units in private placement to the subscribers of initial offer.

***We have identified certain risk factors broadly mentioned below:  
Risks relating to the Trust's business and industry:***

- a. A significant portion of our concessions have been granted by MPRDC. Further, a significant portion of our projected revenue will be derived from the NHAI HAM Projects.
- b. Some of our Project SPVs and the Holding Companies have availed non-interest bearing unsecured loans from the Sponsor, other Shrem group entities and/or other parties which shall continue on the books of such Project SPVs even after listing of the Issue. In the event that any such lender seeks any pre-mature repayment of any such loan, such Project SPVs and/or Holding Companies and/or the Trust would need to find alternative sources of financing such repayment, which may not be available on commercially reasonable terms, or at all. Any such pre-mature repayment may have a material adverse effect on the Project SPVs and/ or the Holding Companies business, cash flows and financial condition.
- c. 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.
- d. The 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.
- e. 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.
- f. Further, the Gol may, on the occurrence of certain events, suspend toll collection at any of the Projects.
- g. 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.
- h. 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.
- i. Lower than expected returns on our investment in our Projects may adversely affect our financial results.
- j. We may be subject to inflation and interest rate risks
- k. 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.
- l. Leakage of the tolls collected on the toll-linked Projects may adversely affect the relevant Project SPVs' revenues and earnings.
- m. The Project SPVs have a limited period to operate the Projects as the concession periods granted to the Project SPVs are fixed.
- n. The concession agreements may be terminated prematurely under certain circumstances.

- o. 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.
  - p. Newly constructed roads or existing alternative routes may compete with the Projects and result in the diversion of the vehicular traffic and a reduction of tolls that the Project SPVs can collect.
  - q. An inability to obtain, renew or maintain the required statutory and regulatory permits and approvals or to comply with the applicable laws may have an adverse effect on the business of the Project SPVs.
  - r. Failure to comply with and changes in, safety, health and environmental laws and regulations in India may adversely affect the business, prospects, financial condition and results of operations of the Project SPVs.
  - s. The current insurance coverage for the Projects may not protect the Project SPVs from all forms of losses and liabilities associated with their businesses.
  - t. 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.
  - u. 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.
  - v. The Projects awarded to the Project SPVs may be subject to legal or regulatory action and the Project SPVs may be required to incur substantial expenses in defending any such actions and there is no assurance that the Project SPVs will be successful in defending such actions.
  - w. 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.
  - x. 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.
  - y. The Project SPVs may be held liable for the payment of wages to the contract labourers engaged indirectly in the operations of the Trust.
  - z. 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.
  - aa. The Project SPVs have experienced losses in previous years and any losses in the future could adversely affect the Trust's business, financial condition and the results of its operations, its ability to make distributions and the trading price of the Units.
  - bb. The Project SPVs may be required to pay additional stamp duty if any concession agreement is subject to payment of stamp duty as a deed creating leasehold rights, or as a development agreement.
  - cc. We do not own the "Shrem" trademark and logo. Our license to use the "Shrem" trademark and logo may be terminated under certain circumstances and our ability to use the trademark and logo may be impaired.
  - dd. There may not be any eligible acquisition opportunities from third parties in the future, which may adversely affect the Trust's business, financial condition, results of operations and prospects.
  - ee. The Trust may not be able to successfully fund future acquisitions of new projects due to the unavailability of debt or equity financing on acceptable terms, which could impede the implementation of its acquisition strategy and negatively affect its business.
  - ff. The use of additional leverage by the Investment Manager and the Trust are subject to risks.
  - gg. 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.
  - hh. The ability of the Trust to make or maintain consistency in distributions to Unitholders depends on the financial performance of the Project SPVs and their profitability.
  - ii. It may be difficult for the Trust to dispose of its non-performing assets.
- Risks relating to our organization and structure:**
- a. The Trust is a newly settled trust with no established operating history and no historical financial information and, as a result, investors may not be able to assess its prospects on the basis of past records.

- b. The Trust must maintain certain investment ratios which may pose additional risks.
  - c. Changes in government regulation could adversely affect our profitability, prospects, results of operations and ability to make distributions to our Unitholders.
  - d. 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.
  - e. Our success depends in large part upon the Investment Manager and Project Manager, the management and personnel that they employ, and their ability to attract and retain such persons.
  - f. The Investment Manager has limited experience and may not be able to successfully implement its investment strategy for and Investment Objectives of the Trust or to manage the Trust's growth effectively.
  - g. Upon completion of the Issue, the Sponsor may be able to exercise significant influence over activities of the Trust on which Unitholders are entitled to vote. The Sponsor's interests may be different from Unitholders.
  - h. The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.
  - i. 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.
  - j. 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.
  - k. Parties to the Trust are required to satisfy the eligibility conditions specified under Regulation 4 of the InvIT Regulations on an ongoing basis. We may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.
  - l. 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.
  - m. The reporting requirements and other obligations of infrastructure investment trusts post-listing 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.
  - n. The InvIT Regulations allow for sponsors of listed infrastructure investment trusts ("InvITs") to be declassified from the status of sponsors subject to certain conditions. There can be no assurance that our Sponsor will not exercise its ability to be classified as the Sponsor of the Trust.
  - o. It may be difficult for the Unitholders to remove the Trustee or the Investment Manager.
  - p. Unitholders will have no vote in the election or removal of Directors in the Investment Manager and will be able to remove the Investment Manager and Trustee only pursuant to a majority resolution.
- 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. Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer or redeem Units, which may adversely impact the trading price of the Units.
  - c. 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.
  - d. Market and economic conditions may affect the market price and demand for the Units.
  - e. There is no assurance that our Units will remain listed on the stock exchange.
  - f. The Issue Price of the Units may not be indicative of the market price of the Units after the Issue.
  - g. 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.
  - h. Rights of Unitholders under Indian law may be more limited than under the laws of other jurisdictions.

**Risks relating to India:**

- a. Our results may be adversely affected by future unforeseen events, such as adverse weather conditions, natural disasters, terrorist attacks or threats, future epidemics or pandemics or other catastrophic events like COVID-19.
- b. We are exposed to risks associated with the road sector in India.
- c. Our performance and growth are dependent on the factors affecting the Indian economy.
- d. We may be exposed to variations in foreign exchange rates.
- e. 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.
- f. Social, economic and political conditions and natural disasters could have a negative effect on our business.
- g. Any downgrading of India's debt rating by rating agencies could have a negative impact on our business.
- h. Financial instability in other countries may cause increased volatility in Indian financial markets.
- i. If inflation rises in India, increased costs may result in a decline in profits.
- j. 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.
- k. 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.
- l. Unitholders may not be able to enforce a judgment of a foreign court against the Trust or the Investment Manager.

- m. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act, 2002 ("Competition Act") could adversely affect our business.

**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 capitalised cost of a road constructed on a BOT basis.
- g. The Ministry of Finance, GoI, has constituted a task force to draft new direct tax legislation, the provisions of which may have an unfavorable implication for us.

**Information of the contact person of the InvIT:**

**Mr. S L Kothari**  
Compliance Officer

1001, Viraj Towers, Junction off Andheri Kurla Road,  
Western Express Highway near Land Mark Building,  
Andheri (East), Mumbai - 400069.

Tel: 022-4228 5500

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

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



# 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 Fund”), and its subsidiaries (together referred to as “the group”) which comprises of Consolidated Balance Sheet as at March 31, 2022, 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 period September 16, 2021 to March 31, 2022 and the Consolidated Statement of Net Assets at fair value as at March 31, 2022 and the Statement of Total Returns at fair value for the period September 16, 2021 to March 31, 2022, 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 sperate financial statements and on the other financial information of the subsidiaries the aforesaid Consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Fund as at March 31, 2022, its consolidated profit and total comprehensive income, its consolidated movement of the unit holders fund, its consolidated cash flows for the for the period September 16, 2021 to March 31, 2022, its consolidated net assets at fair value as at March 31, 2022, and its consolidated total returns at fair value for the for the period September 16, 2021 to March 31, 2022.

## 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 in accordance with the Code of Ethics issued by the ICAI 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. Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditors Response
1	<b>Assessing Impairment of intangible assets</b>	Our audit procedures included the following:
	<p>The Group operates Toll Assets, the carrying values as of March 31, 2022 amounted to Rs.16,904.73 Lakhs</p> <p>Management reviews regularly whether there are any indicators of impairment of such Intangible assets by reference to the requirements under Ind AS. Management performs its impairment assessment 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>	<ul style="list-style-type: none"> <li>- Assessed the appropriateness of the Funds 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</li> </ul>

		<p>with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable, including considerations due to current economic and market conditions including effects of COVID- 19 pandemic.</p> <ul style="list-style-type: none"> <li>- Assessed the recoverable value headroom by performing sensitivity analysis of key assumptions used.</li> </ul>
2	Toll revenue in respect of toll collection	Our audit procedures include the following :
	<p>The Group's right to collect toll under the concession agreement with National Highway (NHAI) Authority of India 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>	<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 analytics procedures on transactions to detect unusual transactions for further examination.</li> <li>- Performed revenue cut off procedures</li> </ul>
3	Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value	Our audit procedures include the following:
	<p>As per the provisions of InvIT Regulations, the Fund is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a</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</li> </ul>

	<p>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>	<p>the fair values</p> <ul style="list-style-type: none"> <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>
--	---	--

#### 4. 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 Annual Report but does not include the consolidated 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 consolidated 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 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.

#### 5. Responsibilities of the Management and Those charged with governance 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, 2022, consolidated financial performance including other comprehensive income, consolidated movement of unit holder's funds and consolidated cash flows for the period September 16, 2021 to March 31, 2022, and its consolidated total returns at fair value in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the 'InvIT Regulations').

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

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

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

## **6. 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 Fund 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 Fund 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 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 Fund included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## 7. Other Matters

We did not audit the financial statement and other financial information of 7 subsidiaries included in the consolidated audited financial statements, whose financial statements reflect total revenues of Rs.40,326.32 lakhs (before eliminating intra group transactions) and total profit after taxes (net) Rs.17,346.59 lakhs (before eliminating intra group transactions) for the

period from 16 September 2021 to 31 March 2022 as considered in the Consolidated Financial Statements.

These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of InvIT regulations, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors

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

## **8. 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 Fund so far as it appears from our examination of those books :
  - b) 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 Fund; and
- c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

S. M. Chitale  
Partner  
M. No. 111383

UDIN: 22111383AKLPMD4973

Place: Mumbai  
Date: May 4, 2022

# Consolidated Balance Sheet

as at March 31, 2022

(Rs.in Lakhs)

Particulars		Notes	As at 31 March, 2022
<b>ASSETS</b>			
<b>(1)</b>	Non-current assets		
<b>(a)</b>	Property, plant and equipment	3 (a)	44.07
<b>(b)</b>	Goodwill	3 (b)	280,304.84
<b>(c)</b>	Other intangible assets	3 (c)	86,357.79
<b>(e)</b>	Financial assets		
	(i) Investments	4	45,713.25
	(ii) Trade receivables	5	322,531.24
	(iii) Loans	6	-
	(iv) Other Financial Assets	7	201.15
<b>(f)</b>	Deferred tax assets	18	0.60
<b>(g)</b>	Other non-current asset	8	10,999.32
	<b>Total non-current assets</b>		<b>746,152.26</b>
<b>(2)</b>	Current assets		
<b>(a)</b>	Inventories		
<b>(b)</b>	Financial assets		
	(i) Investments	4	-
	(ii) Trade receivables	5	48,572.59
	(iii) Cash and cash equivalent	9	2,992.45
	(iv) Bank balances other than (iii) above	10	14,541.63
	(v) Loans	6	-
	(vi) Other Financial Assets	7	821.77
<b>(c)</b>	Current Tax Assets (Net)	11	1,753.33
<b>(d)</b>	Other current assets	8	25,171.99
	<b>Total current assets</b>		<b>93,853.76</b>
	<b>TOTAL ASSETS</b>		<b>840,006.02</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
<b>(a)</b>	Unit Capital	12(a)	376,682.96
<b>(b)</b>	Other equity	12(b)	64,850.92
	Total Equity		441,533.88
<b>(c)</b>	Non-controlling Interest	12(b)	7,056.40
	<b>Total Equity</b>		<b>448,590.28</b>



Liabilities			
<b>(1)</b>	Non-current liabilities		
<b>(a)</b>	Financial liabilities		
	(i) Borrowings	13	293,982.67
	(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	14,840.21
<b>(b)</b>	Provisions	16	18,408.76
<b>(c)</b>	Deferred tax liabilities (net)		-
<b>(d)</b>	Other non-current liabilities	17	-
	<b>Total non-current liabilities</b>		<b>327,231.64</b>
<b>(2)</b>	Current liabilities		
<b>(a)</b>	Financial liabilities		
	(i) Borrowings	13	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	19,794.23
	(iii) Other financial liabilities	15	16,544.24
<b>(b)</b>	Other current liabilities	17	379.71
<b>(c)</b>	Provisions	16	654.56
	<b>Total current liabilities</b>		<b>64,184.10</b>
	<b>TOTAL LIABILITIES</b>		<b>391,415.74</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>840,006.02</b>

The notes referred to above form an integral part of financial statements 1 to 34

As per our report on even date  
**For Mukund M Chitale & Co.**  
Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the period 16<sup>th</sup> September 2021 to 31<sup>st</sup> March 2022

(Rs.in Lakhs)

Particulars		Notes	For the period 16th Sept 21 to 31st March 22
(I)	Revenue from Operations	19	57,058.48
(II)	Other income	20	1,676.31
(III)	<b>Total Income (I+II)</b>		<b>58,734.79</b>
(IV)	<b>Expenses</b>		
	Investment Manager Fees		627.33
	Operation and Management Expenses	21	3,683.02
	Employee benefits expense	22	13.66
	Finance costs	23	13,077.17
	Depreciation and amortization expense		3,029.62
	Other expenses	24	8,867.86
	<b>Total expenses (IV)</b>		<b>29,298.66</b>
(V)	Profit/(loss) before exceptional items and tax (III-IV)		29,436.13
(VI)	Extraordinary items		-
(VII)	<b>Profit / (loss) before tax (V) - (VI)</b>		<b>29,436.13</b>
(VIII)	<b>Tax expenses</b>		
	(1) Current tax		(222.15)
	(2) Deferred tax		(102.40)
	(3) tax of earlier period		(103.04)
(IX)	<b>Profit (Loss) for the year from continuing operations (VII - VIII)</b>		<b>29,863.72</b>
(X)	Less: Share of Profit / (loss) of Pre-acquisition Period		-
	Add: Share of Profit/(Loss) of Associates		
(IX)	<b>Net Profit (Loss) for the period (IX - X)</b>		<b>29,863.72</b>
(X)	Profit / (loss) for the period attributable to:		
	(a) Owners of Parent		29,196.01
	(b) Non-controlling Interest		667.71
(XI)	<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		-
(XII)	<b>Total Comprehensive Income for the year (IX + XI)</b>		<b>29,196.01</b>

<b>(XIII) Earnings per unit (issue price per unit is Rs. 100)</b>	
(1) Basic	7.48
(2) Diluted	7.48

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

As per our report on even date  
**For Mukund M Chitale & Co.**  
 Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

**Consolidated Cash Flow Statement for the period 16th September 2021 To 31st March 2022**

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>	-
<b>Net Profit before tax as per Profit &amp; Loss Account</b>	<b>29,436.13</b>
<b>Adjusted for:</b>	
Depreciation & Amortisation	3,029.62
Interest Income	(1,365.74)
Finance Cost	13,077.17
<b>Operating Profit before Working Capital Changes</b>	<b>44,177.18</b>
<b>Movements in working capital:</b>	
(Increase)/Decrease in Trade receivable	(371,103.83)
(Increase)/Decrease in Loans	-
(Increase)/Decrease in Financial Assets	(1,022.92)
(Increase)/Decrease in other Non Current Aseets	(36,171.32)
Increase/(Decrease) in Trade Payable	19,794.23
(Increase)/Decrease in others	(1,753.93)
Increase/(Decrease) in Other financial Liabilities	31,384.45
Increase/(Decrease) in provision	19,063.34
Increase/(Decrease) in Current and Non Current Liabilities	379.71
Net cash from Operating Activities before Income Tax	(295,253.09)
Income tax paid	(427.59)
<b>Net Cash from Operating Activities</b>	<b>(295,680.68)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>	
Purchase of Tangible and Intangible Assets	(318,518.80)
Investment made during the year	(45,713.25)
Interest Income	1,365.74
	-
<b>Net cash used in Investing Activities</b>	<b>(362,866.31)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>	
Proceed from issue of Share Capital including Share Premium	390,470.00
Return of capital by way of distribution	(13,787.04)
Proceeds/(Repayment) of Borrowings	320,794.03
Distribution to unitholders	(15,375.14)
Finance Cost	(13,077.17)
Share of Non-controlling Interest/Acquisition of Subsidiaries	7,056.40
<b>Net Cash from / (used in) Financing Activities</b>	<b>676,081.08</b>

<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>17,534.08</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>-</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>17,534.08</b>

The notes referred to above form an integral part of financial statements 1 to 34

As per our report on even date

For Mukund M Chitale & Co.  
Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

(S.M.Chitale)

Partner

M No. 111383

Nitan Chhatwal

Director

DIN: 00115575

Nikhil Pareek

Director

DIN : 07083015

Piyush Oza

Company Secretary

Place: Mumbai

Date: 04/05/2022

Place: Mumbai

Date: 04/05/2022

Place: Mumbai

Date: 04/05/2022

Place: Mumbai

Date: 04/05/2022

**Consolidated statement of Changes in Unit holders Equity for the period 16<sup>th</sup> September 2021 To 31<sup>st</sup> March 2022**

**a. Unit Capital Current reporting period:- 31st March 2022 (Rs.in Lakhs)**

Balance at the beginning of the current reporting period	Changes in unit Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in unit capital during the current year	Balance at the end of the current reporting period
-	-	-	376,682.96	376,682.96

Number of Units	as At March 31,2022
At the Beginning of the year	-
Issued During the year*	390,470,000
<b>At the end of the year</b>	<b>390,470,000</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.

During the year company has distributed return of capital Rs.3.531 per unit (1st distribution Rs. 1.977 per unit return of capital and 2nd distribution Rs.1.554 per unit return of capital). Distribution in respect of return of capital does not includes distribution declared for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> March 2022.

**b. Other equity (Rs.in Lakhs)**

Particulars	Reserves and Surplus			Total
	Retained Earnings	Capital Reserve	Non-controlling Interest	
Balance at the beginning of the current year				
Total comprehensive income	29,196.01	-	667.71	29,863.72
- Distributioans made to the unit holder during the year*	(15,375.14)	-	-	(15,375.14)
Pre Acquisition profit of Shrem InvIT	(335.62)	-	-	(335.62)
On account of acquisition of Financial Assets		51,365.67	6,388.69	57,754.36
<b>Balance at the end of the year</b>	<b>13,485.25</b>	<b>51,365.67</b>	<b>7,056.40</b>	<b>71,907.32</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 during the year and does not include the distribution relating to the period January 01, 2022 to March 31, 2022 which will be paid after March 31, 2022.

The notes on accounts forms an integral part of financial statements 1 to 34

As per our report on even date  
**For Mukund M Chitale & Co.**  
Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

**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 31st March 2022	
	Book Value	Fair Value
<b>A. Assets</b>	840006.02	723880.00
<b>B. Liabilities</b>	391415.74	330050.00
<b>C. Net Assets ( A-B)</b>	448590.29	393830.00
<b>D. Number of Units ( In Lacs)</b>	3904.70	3904.70
<b>E. NAV (C/D) ( Amount in Rs)</b>	114.88	100.86

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

Particulars	As at 31st March 2022
	( Rs in Lakhs)
i) Suryavanshi Infrastructure Private Limited	2,900
ii) DBL Nadiad Modasa Tollways Limited	10,740
iii) DBL Jaora-Sailana Tollways Limited	8,300
iv) DBL Bankhlfata-Dogawa Tollways Limited	6,450
v) DBL Mundargi Harapanahalli Tollways Limited	8,640
vi) DBL Hassan- Periyapatna Tollways Limited	13,690
vii) DBL Hirekerur Ranibennur Tollways Limited	10,470
viii) DBL Sardarpur Badnawar Tollways Limited	2,810
ix) DBL Silwani - Sultanganj Tollways Limited	6,330
x) DBL Mundisanawad Tollways Limited	6,210
xi) DBL Sitamau- Suwasara Tollways Limited	3,300
xii) DBL Uchera-Nagod Tollways Limited	8,120
xiii) DBL Ashoknagar-Vidisha Tollways Limited	4,430
xiv) DBL Betul-Sarni Tollways Limited	17,730
xv) DBL Tikamgarh- Nowgaon Tollways Limited	9,240
xvi) DBL Hatadargawon Tollways Limited	6,810
xvii) DBL Patanrehli Tollways Limited	22,080
xviii) DBL Luknow Sultanpur Highways Limited	100,850
xix) DBL Kalmath Zarap Highways Limited	39,510
xx) DBL Yavatmal Wardha Highways Private Limited	38,550
xxi) DBL Mahagaon Yavatmal Highways Private Limited	48,670
xxii) DBL Wardha Butibori Highways Private Limited	45,710
xxiii) DBL Tuljapur AUSA Highways Limited	36,110
xxiv) Jalpadevi Tollways Limited	202,470
<b>Subtotal</b>	<b>660,120</b>
<b>Assets in Shrem InvIT Fund</b>	<b>63,760</b>
<b>Total Assets</b>	<b>723,880</b>



## B. Statement of Total Returns at Fair Value

(Rs in Lakhs)

Particulars	Year ended March 31, 2022
<b>Total Comprehensive Income</b>	29196.01
<b>(As per the Statement of Profit and Loss)</b>	
<b>Add/(less): Other Changes in Fair Value</b>	(116,126.02)
<b>Comprehensive Income</b>	<b>(86,930.02)</b>

### Note:

1.'Fair value of assets 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.

2.'Shrem InvIT was 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 InvIT had Listed its units on 21st September 2021 hence, the Statement of Net Asset at Fair Value and Statement of Total Returns at Fair Value as at 31st March 2021 is not given.

As per our report on even date

**For Mukund M Chitale & Co.**

Chartered Accountants

FRN: 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: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

**NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**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.

The trust portfolio of assets comprises 24 road project SPVs acquired by the sponsor through three companies namely, Shrem roadways private limited (SRPL), Shrem Infraventure private limited (SIPL) and Shrem tollways private limited (STPL). These 3 companies acquired by trust through sponsor on September 16, 2021.

The details of 24 road project SPVs are given below:-

- i) Suryavanshi Infrastructure Private Limited
- ii) DBL Nadiad Modasa Tollways Limited
- iii) DBL Jaora-Sailana Tollways Limited
- iv) DBL Bankhlaftata-Dogawa Tollways Limited
- v) DBL Mundargi Harapanahalli Tollways Limited
- vi) DBL Hssasn- Periyapatna Tollways Limited
- vii) DBL Hirekerur Ranibennur Tollways Limited
- viii) DBL Sardarpur Badnawar Tollways Limited
- ix) DBL Silwani - Sultanganj Tollways Limited
- x) DBL Mundisanawad Tollways Limited
- xi) DBL Sitamau- Suwasara Tollways Limited
- xii) DBL Uchera-Nagod Tollways Limited
- xiii) DBL Ashoknagar-Vidisha Tollways Limited
- xiv) DBL Betul-Sarni Tollways Limited
- xv) DBL Tikamgarh- Nowgaon Tollways Limited
- xvi) DBL Hatadargawon Tollways Limited
- xvii) DBL Patanrehli Tollways Limited
- xviii) DBL Luknow Sultanpur Highways Limited
- xix) DBL Kalmath Zarap Highways Limited
- xx) DBL Yavatmal Wardha Highways Private Limited
- xxi) DBL Mahagaon Yavatmal Highways Private Limited
- xxii) DBL Wardha Butibori Highways Private Limited
- xxiii) DBL Tuljapur AUSA Highways Limited
- xxiv) Jalpadevi Tollways Limited

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

### 2.3.1 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.

### 2.3.2 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.

### 2.3.3 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).

### 2.3.4 Intangible Assets

#### (a) 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.

### 2.3.5 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.

#### **2.3.6 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.

#### **2.3.7 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.

### **2.3.8 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.

### **2.3.9 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.

### **2.3.10 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.

### **2.3.11 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.

#### **Minimum Alternate Tax (MAT)**

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

#### **2.3.12 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.

#### **2.3.13 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.

#### **2.3.14 Investment in subsidiaries**

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

#### **2.3.15 Distribution to unit holders**

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

#### **2.3.16 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**  
**Period Ended 31 March 2022**

(Rs. in Lakhs)

Particulars	Gross Carrying Value				Depreciation/Amortization				Net Carrying Value	
	As at 01/04/2021	Additions	Deductions	As at 31/03/2022	As at 01/04/2021	For the period	Deductions	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Toll Camera Office Equipment	-	3.24	-	3.24	-	3.24	-	3.24	0.00	-
Electric Equipment	-	38.04	-	38.04	-	18.84	-	18.84	19.20	-
Computer and Printer	-	6.61	-	6.61	-	6.61	-	6.61	0.00	-
Toll Management System	-	7.48	-	7.48	-	4.55	-	4.55	2.93	-
Office Furniture	-	33.12	-	33.12	-	15.73	-	15.73	17.39	-
Vehicle	-	7.50	-	7.50	-	2.95	-	2.95	4.55	-
	-	3.22	-	3.22	-	3.22	-	3.22	(0.00)	-
<b>Total</b>	<b>-</b>	<b>99.21</b>	<b>-</b>	<b>99.21</b>	<b>-</b>	<b>55.14</b>	<b>-</b>	<b>55.14</b>	<b>44.07</b>	<b>-</b>

**Note 3 b : Goodwill**

Particulars	31 March 2022
Goodwill on Purchase of Acquisitions	280,304.84
Less:- Impairment/ Amortisations*	-
<b>Total</b>	<b>280,304.84</b>

As at March 31, 2022 the recoverable amount of Cash Generating Unit (CGU) was computed using discounted cash flow method. Based on the computations, management believe that recoverable amount of CGU to exceed the carrying amount. Therefore, no impairment was recognised as of March 31, 2022.

**Note 3 c: Other Intangible Assets**  
**Period Ended 31 March 2022**

(Rs. in Lakhs)

Particulars	Gross Carrying Value				Depreciation/Amortization				Net Carrying Value	
	As at 01/04/2021	Additions	Deductions	As at 31/03/2022	As at 01/04/2021	For the period	Deductions	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Toll Rights	-	115,254.89	-	115,254.89	-	28,897.11	-	28,897.11	86,357.79	-
<b>Total</b>	-	<b>115,254.89</b>	-	<b>115,254.89</b>	-	<b>28,897.11</b>	-	<b>28,897.11</b>	<b>86,357.79</b>	-

**Note 4: Investments**

(Rs. in Lakhs)

Particulars		31 March 2022
(i)	<b>Non-Current</b>	-
	<b>Investment at amortised Cost</b>	-
	<b>Investments in Government Securities</b>	-
	6.64% G-Sec 2035 (1)	7,372.50
	6.64% G Sec 2035 (2)	2,949.00
	6.68% G-Sec 2031	5,096.00
7.26% G-Sec 2029	5,275.00	
<b>Total (i)</b>		<b>20,692.50</b>
(ii)	<b>Investments in Others</b>	
	7.03% Indian Railway Finance Corporation Ltd. Bonds	2,944.78
	7.32% India Grid Trust NCD (Series L)	10,942.15
	7.48% Mangalore Refinery & Petrochemicals Ltd NCD	2,541.43
	Trust Investment Advisors-Commercial Paper(6%)	2,984.30
<b>Total (ii)</b>		<b>19,412.65</b>
(iii)	<b>Investments in Perpetual Bonds</b>	
	8.05% Canara Bank Perpetual Bonds	3,704.30
	7.95% Bank of Baroda Perpetual Bonds	1,903.80
<b>Total (iii)</b>		<b>5,608.10</b>
<b>Total Non-current</b>		<b>45,713.25</b>

Aggregate book value for quoted investments	-
Aggregate value for unquoted investments	45,713.25
Aggregate provision for impairment	-

**Note 5: Trade Receivables**

Particulars	31 March 2022
<b><u>Non-Current</u></b>	
Trade Receivable considered good-secured	-
Trade Receivable considered good-Unsecured	322,531.24
Less: Allowance for bad and doubtful debts	-
<b>Total Non Current</b>	<b>322,531.24</b>
<b><u>Current</u></b>	
Trade Receivable considered good-secured	-
Trade Receivable considered good-Unsecured	48,572.59
Less: Allowance for bad and doubtful debts	-
<b>Total Current</b>	<b>48,572.59</b>
<b>Total</b>	<b>371,103.83</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	
(i)	As at March 31, 2022							
	Undisputed Trade receivables – considered good	368,903.68	2,199.78	-	-	-	0.37	371,103.83
	<b>Total</b>	<b>368,903.68</b>	<b>2,199.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.37</b>	<b>371,103.83</b>

\* The amount is not yet due.

**Note 6: Loans**

(Rs. in Lakhs)

Particulars	31 March 2022
<b><u>Current</u></b>	
<b>Loans</b>	
Loans Receivables considered good - unsecured to Others	-
<b>Total Current</b>	<b>-</b>
<b>Total</b>	<b>-</b>

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

Particulars	31 March 2022
<b><u>Non - Current</u></b>	-
<b>Others</b>	
Security Deposits	1.25
Withheld money	199.90
<b>Total Non-current</b>	<b>201.15</b>
<b><u>Current</u></b>	-
	0.06
Toll Receivables	25.69
Withheld money	796.02
Accrued interest on Investment	
<b>Total</b>	<b>821.77</b>

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

Particulars	31 March 2022
<b><u>Non-current</u></b>	-
<b>Unsecured Considered Good</b>	
Security Deposits with Government Authorities	0.50
MAT Credit Receivable	10,350.72
Income tax (Net of Provision for Tax)	648.10
<b>Total Non-current</b>	<b>10,999.32</b>
<b><u>Current</u></b>	-
<b>Unsecured Considered Good</b>	
Advance to Suppliers	31.48
Security Deposits with Government Authorities	59.90
Mobilization Advance paid	1,170.14
Withheld with Department	839.08
GST Withheld on Utility	35.67
Balance with Government Authorities	21,892.28
Advance to others	1.30
Prepaid Expenses	859.27
Labour cess deducted by NHAI	157.28

Other Receivables	125.60
<b>Total Current</b>	<b>25,171.99</b>
<b>Total</b>	<b>36,171.31</b>

**Note 9: Cash And Cash Equivalents**

(Rs. in Lakhs)

Particulars	31 March 2022
Cash on hand	11.06
Balance with Banks	1,925.12
Deposit with Banks	1,056.27
<b>Total</b>	<b>2,992.45</b>

**Note 10: Bank balances other than (iii) above**

(Rs. in Lakhs)

Particulars	31 March 2022
	-
Term deposits with maturity less than 12 months	14,541.63
	-
<b>Total</b>	<b>14,541.63</b>

**Note 11: Current Tax Asset**

(Rs. in Lakhs)

	31 March 2022
Advance Income Tax (Net of Provisions)	1,753.33
<b>Total</b>	<b>1,753.33</b>

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

Particulars	As at 31st March 2022		
	Face value of Shares per Unit (in Rs)	Number of units (in Lakhs)	(Rs. in Lakhs)
Balance as on 31st March 2021	-	-	-
issued during the year *	100.000	3,904.70	390,470.00
Less:- Return of unit capital	(3.531)	-	(13,787.04)
<b>Balance as on 31st March 2022</b>	<b>96.469</b>	<b>3,904.70</b>	<b>376,682.96</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.

## 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:

Particluars	As at 31 March, 2022	
	No of Units (Lakhs)	Rs. In Lakhs
At the beginning of the year	-	-
Issued during the year as fully paid	3,904.70	390,470.00
At the end of the year	<b>3,904.70</b>	<b>390,470.00</b>

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

Particluars	As at 31 March, 2022	
	No of Units (Lakhs)	%
Shrem Infrastructure Private Limited	2,455.24	62.88%
Shrem Investment Private Limited	312.35	8.00%
Nitan Chhatwal	273.01	6.99%
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 March 31, 2022	
	No. of Units	% of total Units
Shrem Infrastructure Private Limited	2,455.24	62.88%



**Note 12 (b): Other Equity**
**b. Other equity**
**(Rs. In Lakh)**

Particulars	Reserves and Surplus			Total
	Retained Earnings	Capital Reserve	Non-controlling Interest	
<b>Balance at the beginning of the current year</b>				
Total comprehensive income	29,196.01	-	667.71	<b>29,863.72</b>
- Distributioans made to the unit holder during the year*	(15,375.14)	-	-	<b>(15,375.14)</b>
Pre Acquisition profit of Shrem InvIT	(335.62)	-	-	<b>(335.62)</b>
On account of acquisition of Financial Assets	-	51,365.67	6,388.69	<b>57,754.36</b>
<b>Balance at the end of the year</b>	<b>13,485.25</b>	<b>51,365.67</b>	<b>7,056.40</b>	<b>71,907.32</b>

a) 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 during the year and does not include the distribution relating to the period January 01, 2022 to March 31,2022 which will paid after March 31, 2022.

**Note 13: Borrowing**
**(Rs. In Lakh)**

Particulars	31 March 2022
<b><u>Non-current</u></b>	-
<b><u>Secured</u></b>	-
<b><u>Term loans</u></b>	-
From Banks	320,606.28
Less: Current maturities of non-current borrowings	(25,392.00)
Unamortized Processing Fees	(1,231.61)
Debentures	-
Less: Current maturities of non-current borrowings	-
<b><u>Unsecured</u></b>	-
From Related Parties	0.00
<b>Total Non-current</b>	<b>293,982.67</b>
<b><u>Current</u></b>	-
<b><u>Secured</u></b>	-
Current maturities of Borrowings	25,392.00
<b><u>Unsecured</u></b>	-
From Related Parties	-

From Others	1,419.36
<b>Total Current</b>	<b>26,811.36</b>
<b>Total</b>	<b>320,794.03</b>

**a) Term Loans are Secured by:**

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 amout adequate to cover interest and installment of two quarters.

b) The repayment is executed to be on quarterly basis which began in June 21 and end in Jun 2035 as per repayment schedule specified in loan agreement.

c) There has been no default in the repayment of borrowings and interest obligation during the year.

**Note 14: Trade Payables**

(Rs. In Lakh)

Particulars	31 March 2022
<b>Current</b>	-
total outstanding dues of micro and small enterprises	-
total outstanding dues of creditors other than micro and small enterprises	19,794.23
<b>Total</b>	<b>19,794.23</b>

**Trade payable aging**

(Rs. In Lakh)

	Particulars	Outstanding for following periods from due date of payment					
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Others*	Total
(i)	As at March 31, 2022 total outstanding dues of micro enterprises and small enterprises;	-	-	-	-	-	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises;	517.27	50.00	22.37	36.71	19,167.88	19,794.23
	<b>Total</b>	<b>517.27</b>	<b>50.00</b>	<b>22.37</b>	<b>36.71</b>	<b>19,167.88</b>	<b>19,794.23</b>

\* Amount is not yet due.

**Note 15: Other Financial liabilities**

(Rs. In Lakh)

Particulars	31 March 2022
<b>Non-Current</b>	-
Deposit	14,831.53
Withheld Money	8.68
<b>Total non-current</b>	<b>14,840.21</b>
<b>Current</b>	-
Creditors for Expenses	139.29
Withheld amount	15.69
Accrued Expenses	1.37
Deposit	16,379.61
Statutory Dues	8.28
<b>Total Current</b>	<b>16,544.24</b>
<b>Total</b>	<b>31,384.45</b>

**Note 16: Provisions**

(Rs. in Lakhs)

Particulars	31 March 2022
<b>Non-current</b>	
Provision for Expenses	18,408.76
<b>Total non-current</b>	<b>18,408.76</b>
<b>Current</b>	-
Provision For Audit Fees Payable	6.70
Provision For Other Expense	401.14
Provision for Employee Benefits	0.28

CSR Exp Payable	246.43
<b>Total current</b>	<b>654.56</b>
<b>Total</b>	<b>19,063.33</b>

**Note 17: Other Liabilities (Rs. in Lakhs)**

Particulars	31 March 2022
<b>Current</b>	-
Amounts withheld from Sub Contractor	12.64
Withheld money- utility	276.63
Retention money- Utility vendor	17.98
Electricity Payable	15.79
Duties and Taxes	56.66
<b>Total Current</b>	<b>379.71</b>
<b>Total</b>	<b>379.71</b>

**Note 18: Deferred Tax**

(Rs. in Lakhs)

Deferred tax relates to the following: Deferred tax asset / (liability)	31 March 2022
Deferred tax asset	0.60
<b>Total</b>	<b>0.60</b>
Deferred tax liability	-
<b>Total</b>	<b>-</b>
<b>Net deferred tax asset / (liability)</b>	<b>0.60</b>

**Income Taxes**

**i. Amount recognised in profit or loss**

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022
<b>Current income tax:</b>	
Current income tax charge	(222.15)
<b>Deferred tax:</b>	
Relating to origination and reversal of temporary differences	(102.40)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(324.54)</b>

**Note 19: Revenue from Operations**

(Rs. In Lakh)

Particulars	For the Period 16th September, 2021 to 31st March, 2022
Interest Income - Others	25,539.88
Toll Plaza Receipts	10,098.71
Contract Receipts	499.48
Income from Change in Scope	1,368.42
Installation charges for ETC on toll plaza	429.38
Income from Operation & Maintenance Services- NHAI	1,493.48
Crop Compensation Reimbursement	110.78
Interest Income - with margin	17,518.33
<b>Total</b>	<b>57,058.48</b>

**Note 20: Other Income**

(Rs. In Lakh)

Particulars	For the Period 16th September, 2021 to 31st March, 2022
Insurance claim received	45.66
Interest on Income tax refund	33.12
Interest Income on Bonds / G-Sec/ NCD	984.66
Interest on Fixed Deposits with Bank	347.95
Capital Gain on Redemption	7.42
Interest on Advance	45.54
Liability no longer required written back	0.57
Miscellaneous Income	211.38
<b>Total</b>	<b>1,676.31</b>

**Note 21: Operation and Management Expense**

(Rs. In Lakh)

Particulars	For the Period 16th September, 2021 to 31st March, 2022
Subcontractor Charges (utility)	456.93
Labour Cess and Taxes	71.07
Insurance Expense	42.02
ETC Machine Charges	429.38
Independent Engineer Fees	106.32
Expenses due to Change of Scope	(0.00)
Operation and Maintenance Charges	2,577.30
<b>Total</b>	<b>3,683.02</b>

**Note 22: Employee Benefit Expense**

(Rs. In Lakh)

Particulars	For the Period 16th September, 2021 to 31st March, 2022
Salary & Other Allowances	12.93
Staff Welfare Expenses	0.73
<b>Total</b>	<b>13.66</b>

**Note 23: Finance Cost**

(Rs. In Lakh)

Particulars	For the Period 16th September, 2021 to 31st March, 2022
Interest on borrowings	12,616.43
Other borrowing cost	460.75
<b>Total</b>	<b>13,077.17</b>

**Note 24: Other Expenses**

(Rs. In Lakh)

Particulars	For the Period 16th September, 2021 to 31st March, 2022
Payment to Auditors (refer note 24.1)	20.10
Establishment Expenses	48.08
Independent Engineer Fees	102.32
Engineering Advisory Services	0.56
Insurance Expenses	460.01
AMC, Professional & Technical Charges	171.05
Major Maintenance expenses	2,409.31
Other Supportive Services	2,591.45
Miscellaneous Expenses	26.91
Listing charges	10.50
Printing and stationery	0.09
Project Management Expenses	313.66
Project Monitoring Fees	20.40
Rent, Rates and Taxes	2,002.51
Travelling and Conveyance	1.71
Power & Fuel	126.47
Reimbursement of Crop Compensation	108.57
ROC filing fees	9.41
Registration & Stamp Duty	19.54
Interest on statutory dues	115.73
Fines and Penalties	29.75
CSR Expenses (refer note 24.2)	279.74
<b>Total</b>	<b>8,867.86</b>

**Note 24.1: Remuneration to Auditors**

(Rs. In Lakh)

Particulars	For the period 16th Sept 21 to 31st March 22
a) Audit Fees	20.10
b) For other services	-
<b>Total</b>	<b>20.10</b>

**Note 24.2 : Corporate Social Responsibility:**

The Group Management is evaluating the best possible alternative for CSR activities related to its subsidiaries and holding Company. Hence amount has not been spent till 31st March 22. In accordance with the provision of section 135, unspent amount has been transferred to Separate Bank accounts by the respective subsidiaries and Holding Co.

**Note 25: Statement of earning per unit:**

(Rs. In Lakh)

Particulars	For the period 16 <sup>th</sup> Sept 21 to 31 <sup>st</sup> March 22
a) Profit / (Loss) for the year before tax	28,871.46
Less : Attributable Tax thereto	(324.54)
Profit / (Loss) after Tax	29,196.01
b) No of units outstanding for computation of basic and diluted earning per unit	3,904.70
Earning per Unit (Basic and diluted) (Rs. Per unit)	<b>7.48</b>

**Note 26: 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 Lakh)

Sr No	Particulars	Carrying value	Fair value
		31 March 2022	31 March 2022
	<b>Financial Asset</b>		
(a)	<b>Carried at amortised cost</b>		
(i)	Investments	45,713.25	45,713.25
(ii)	Loans	-	-
(iii)	Trade receivables*	371,103.83	371,103.83
(iv)	Cash and cash equivalent *	17,534.08	17,534.08

(vi)	Other financial asset	1,022.92	1,022.92
<b>a)</b>	<b>Financial Liabilities</b>		
	<b>Carried at amortised cost</b>		
(i)	Borrowings	320,794.03	320,794.03
(ii)	Trade payable*	19,794.23	19,794.23
(iii)	Other financial liabilities	31,384.45	31,384.45

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 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 2022:**

Sr. No.	Particulars	Fair value measurement using	
		Level 1	Level 2
	<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
(ii)	Trade receivable	-	371,103.83
(iii)	Cash and cash equivalent	-	17,534.08
(iv)	Other financial asset	-	1,022.92
<b>(a)</b>	<b>Financial liability measured at amortised cost</b>		
(i)	Borrowings	-	320,794.03
(ii)	Trade payable	-	19,794.23
(iii)	Other financial liabilities	-	31,384.45

### 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 27: Related Parties Transactions

A. List of related parties of Shrem InvIT

### Reporting Enterprise

Shrem InvIT

## List of related parties as on 31st March 2022

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 ( From 16th September 2021)  
Shrem Infraventure Private Limited ( From 16th September 2021)  
Shrem Roadways Private Limited ( From 16th September 2021)

#### Step down subsidiary Companies

Suryavanshi Infrastructure Private Limited ( From 16th September 2021)  
DBL Nadiad Modasa Tollways Limited ( From 16th September 2021)  
DBL Jaora-Sailana Tollways Limited ( From 16th September 2021)  
DBL Bankhlaftata-Dogawa Tollways Limited ( From 16th September 2021)  
DBL Mundargi Harapanahalli Tollways Limited ( From 16th September 2021)  
DBL Hssasn- Periyapatna Tollways Limited ( From 16th September 2021)  
DBL Hirekerur Ranibennur Tollways Limited ( From 16th September 2021)  
DBL Sardarpur Badnawar Tollways Limited ( From 16th September 2021)  
DBL Silwani - Sultanganj Tollways Limited ( From 16th September 2021)  
DBL Mundisanawad Tollways Limited ( From 16th September 2021)  
DBL Sitamau- Suwasara Tollways Limited ( From 16th September 2021)  
DBL Uchera-Nagod Tollways Limited ( From 16th September 2021)  
DBL Ashoknagar-Vidisha Tollways Limited ( From 16th September 2021)  
DBL Betul-Sarni Tollways Limited ( From 16th September 2021)  
DBL Tikamgarh- Nowgaon Tollways Limited ( From 16th September 2021)  
DBL Hatadargawon Tollways Limited ( From 16th September 2021)  
DBL Patanrehli Tollways Limited ( From 16th September 2021)  
DBL Luknow Sultanpur Highways Limited ( From 16th September 2021)  
DBL Kalmath Zarap Highways Limited ( From 16th September 2021)  
DBL Yavatmal Wardha Highways Private Limited ( From 16th September 2021)  
DBL Mahagaon Yavatmal Highways Private Limited ( From 16th September 2021)  
DBL Wardha Butibori Highways Private Limited ( From 16th September 2021)  
DBL Tuljapur Ausa Highways Limited ( From 16th September 2021)  
Jalpadevi Tollways Limited ( From 20th September 2021)

## 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

**(b) Transactions with the related parties:**

Sr No	Transactions	Name of Related Parties	For the year ended 31st March 2022
1	Investment manager fees	<u>Investment Manager</u>	
		Shrem Financials Private Limited	627.33
			<b>627.33</b>

2	Other Support services	<b><u>Investment Manager</u></b>	
		Shrem Financials Private Limited	2,591.45
			<b>2,591.45</b>
3	Project Management Services	<b><u>Project Manager</u></b>	
		Shrem Road Projects Private Limited	313.66
			<b>313.66</b>
4	Loan Taken	<b><u>Investment Manager</u></b>	
		Shrem Financials Private Limited	5,639.89
		<b><u>Sponsor</u></b>	
		Shrem Infrastructure Pvt Ltd	3,870.38
		Shrem Infrastructure Pvt Ltd	1,308.33
		Shrem Infrastructure Pvt Ltd	243.00
			<b>11,061.60</b>
5	Loan Repayment	<b><u>Investment Manager</u></b>	
		Shrem Financials Private Limited	5,959.39
		<b><u>Sponsor</u></b>	
		Shrem Infrastructure Pvt Ltd	9,842.33
		Shrem Infrastructure Pvt Ltd	12,802.57
		Shrem Infrastructure Pvt Ltd	909.00
			<b>29,513.29</b>
6	Issue of Unit Capital	<b><u>Sponsor</u></b>	
		Shrem Infrastructure Pvt Ltd	245,524.03
		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>330,470.00</b>
7	NCD transfer to INVIT	<b><u>Sponsor</u></b>	
		Shrem Infrastructure Pvt Ltd	17,200.00
			28,300.00
			11,700.00
			<b>57,200.00</b>
8	Repaid advance by parties	<b><u>Sponsor</u></b>	
		Shrem Infrastructure Pvt Ltd	10,575.00
			<b>10,575.00</b>
9	Return of Unit Capital	<b><u>Sponsor</u></b>	
		Shrem Infrastrucure Pvt Ltd	8,669.16

		Nitan Chhatwal	22.06
		Smita Nitan Chhatwal	7.06
		Shrem Investment Private Limited	1,102.87
		Nitan Chhatwal (on behalf of CGT)	928.66
		Hitesh Chhatwal	22.06
		R S Infra Advisors and Consuktant LLP	923.69
			<b>11,675.57</b>
		<b>Sponsor</b>	
		Shrem Infrasturcture Pvt Ltd	7,979.53
		Nitan Chhatwal	20.31
		Smita Nitan Chhatwal	6.50
		Shrem Investment Private Limited	1,015.14
		Nitan Chhatwal (on behalf of CGT)	854.78
		Hitesh Chhatwal	20.31
		R S Infra Advisors and Consuktant LLP	850.21
			<b>10,746.79</b>
		<b>Sponsor</b>	
		Shrem Infrasturcture Pvt Ltd	1,688.22
		Nitan Chhatwal	4.30
		Smita Nitan Chhatwal	1.37
		Shrem Investment Private Limited	214.77
		Nitan Chhatwal (on behalf of CGT)	180.84
		Hitesh Chhatwal	4.30
		R S Infra Advisors and Consuktant LLP	179.88
			<b>2,273.67</b>

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

(Rs.in Lacs)

Sr No	Narration	Name of Related Parties	Category	Balance as on 31st March 2022
		<b>Investment Manager</b>		
1	Loan & advance	Shrem Financials Private Limited	Investment Manager	-
		<b>Sponsor</b>		
		Shrem Infrastructure Pvt Ltd	Sponsor	-
		<b>Investment Manager</b>		
2	Trade Payable	Shrem Financials Private Limited	Investment Manager	-
				-

## Note 28: 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. Company's policy is to keep the gearing ratio between 70% and 100% . The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(Rs. in Lakhs)

Particulars	As at 31 March, 2022
Long term borrowings	293,982.67
Short term borrowings	26,811.36
Less: Cash and cash equivalents	2,992.45
Less: Bank balances other than cash and cash equivalents	14,541.63
Less: Current investments	-
<b>Net debt</b>	<b>303,259.95</b>
Total Equity	448,590.28
<b>Capital and net debt</b>	<b>751,850.23</b>
Gearing ratio	40.34%

## Note 29: SIGNIFICANT ACCOUNTING JUDGEMENT, ESTIMATES AND ASSUMPTIONS

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

### (a) Judgement

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

### (b) Classification of unit holders Funds

Under the provisions of the SEBI InvIT Regulations, the Trust is required to distribute to its Unit holders not less than ninety percent of the net distributable cash flows of the Trust for each financial year. Accordingly, a portion of the unit holders' funds contain a contractual obligation of the Trust to pay to its Unit holders cash distributions. The Unit holder's funds could therefore have been classified as compound financial instrument which contain both equity and debt components in accordance with Ind AS 32 'Financial Instruments: Presentation'. However, in accordance with SEBI Circulars (Circular no..CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016) issued under the SEBI InvIT Regulations, the

unit holders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the income distribution payable to unit holders is recognized as liability when the same is approved by Board of Directors of the Investment Manager.

### (c) Fair valuation and disclosures

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

### (d) 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 30: Distribution mode

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

(Rs.in Lakhs)

Particulars	FY 2021-2022
Interest	2,684.86
Dividend #	12,690.28
<b>Distribution to Unit Holders (Refer note 12(b))</b>	<b>15,375.14</b>
Return of capital (Refer note 12(a))	13,787.04
<b>Total *</b>	<b>29,162.18</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.

# Shrem Roadways Pvt Ltd (SRPL) and Shrem infraventure Pvt Ltd (SIPL) are wholly owned subsidiaries of Shrem InvIT (InvIT) a Trust registered with SEBI under SEBI InvIT Regulations, 2014 (SEBI InvIT Regulations). SRPL has investment in 17 wholly owned subsidiaries (SPVs) and SIPL has investment in 6 wholly owned subsidiaries (SPVs). These two Companies have received

dividend from some of these SPVs. Shrem InvIT and SRPL, SIPL are a pass through platform for receipt of cashflows from SPVs and distribution of the same to the unitholders of InvIT as per the provision of SEBI InvIT Regulations.

As per InvIT Regulation 18(6)(ba)(i), 100% of the cashflows received by SRPL (being holding company for 17 SPVs) and SIPL (Being Holding company for 6 SPVs) from underlying SPVs shall be distributed to the InvIT, Also as per Para 5.7.1.A of Ind AS 109 – Financial Instruments specifies that Dividend should be recognized in the Profit and loss only if the economic benefits associated with the dividend flow to the entity. Board of SRPL and SIPL passed a Board Resolution specifying that the Dividend declared by the SPVs and received by SRPL and SIPL is conditional in nature and the same is required to be distributed fully to the InvIT in pursuance of the SEBI InvIT Regulations. Consequently, the same cannot be credited to P & L A/c in view of requirement of the Ind AS 109. In pursuance of the same SRPL and SIPL has recorded the Dividend received from respective SPV's and the onward distribution of the dividend to InvIT through Dividend Control account under Current Liability of the respective financial statements.

### **Note 31: 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 othe 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 willful defaulter by any bank/ financial institution or any other lender during the year

### Note 32: Capital Reduction

The Three Holding companies being the wholly owned subsidiaries of the Shrem InvIT have applied to the Hon'ble NCLT in the month of March 2022, a proposed Scheme of Capital reduction. As per the Scheme, the shareholding layer of the Intermediary Holding companies will be removed and the investments in SPVs held by these Intermediary Holding Companies will be distributed to Shrem InvIT in consideration of the reduction in share capital. The Scheme when approved will be effective from 1st April 2022.

### Note 33: Ratios

	Ratios	F.Y.21-22
i)	<b>Current Ratio</b> Current Assets/ Current Liabilities	1.46
ii)	<b>Return on Equity Ratio</b> Net Income/ Shareholder's Equity	0.07
iii)	<b>Net profit ratio</b> Net profit/ Income	0.51
iv)	<b>Debt service coverage ratio</b> PAT plus Interest and non cash operating expenses/ Principal+Interest	1.57
v)	<b>Trade Receivables Turnover Ratio</b> Income/ Trade Receivables	0.15
vi)	<b>Net Capital Turnover Ratio</b> Income/ Avg Working Capital	1.92
vii)	<b>Return on Capital Employed</b> Operating Profit/ Capital Employed	0.04



**Note 34:** Previous year's numbers have been regrouped / reclassified, wherever necessary to conform to current year's classification.

Signature to the Notes to Accounts

As per our report on even date  
**For Mukund M Chitale & Co.**  
Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

# FINANCIAL STATEMENTS

## STANDALONE

### Independent Auditors' 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 Fund"), which comprises of Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Statement of Changes in Unit holder's Equity and the Statement of Cash Flow for the year then ended and the Statement of Net Assets at fair value as at March 31, 2022 and the Statement of Total Returns at fair value for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the 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 in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in the Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rule, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Fund as at March 31, 2022, its profit and total comprehensive income, movement of the unit holders fund, its cash flows for the year ended March 31, 2022, its net assets at fair value as at March 31, 2022, its total returns at fair value for the year ended on that date.

#### 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 Financial Statements section of our report. We are independent of the Fund in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditors Response
1	<p><b>Assessing Impairment of investments and loans in subsidiary companies</b></p>	<p><b>Our audit procedures included the following:</b></p>
	<p>As at March 31, 2022 carrying values of Fund's investment in subsidiaries amounted to Rs. 354,605.50 Lakhs and loans and advances is Rs. 16,608.93 lacs</p> <p>Management reviews regularly whether there are any indicators of impairment of such investments/ loans by reference to the requirements under Ind AS. Management performs its impairment assessment by comparing the carrying value of these investments/ loans made to their recoverable amount to determine whether impairment needs to be recognized.</p> <p>For impairment testing, value in use has been determined by forecasting and discounting future cash flows of subsidiary companies. Further, the value in use is highly sensitive to changes in critical variable used for forecasting the future cash flows including traffic projections for revenues and discounting rates. The determination of the recoverable amount from subsidiary companies involves significant judgment and accordingly, the evaluation of impairment of investments/loans in subsidiary companies has been determined as a key audit matter.</p>	<p>Assessed the appropriateness of the Funds 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;</p> <p>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;</p> <p>Assessed the appropriateness of the weighted average cost of capital used in the determining recoverable amount by engaging valuation expert;</p> <p>- 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</p>

		<p>the cash flow forecasts were suitable, including considerations due to current economic and market conditions including effects of COVID- 19 pandemic.</p> <p>Assessed the recoverable value headroom by performing sensitivity analysis of key assumptions used.</p> <p>As regards loans granted to subsidiary companies, we have obtained and considered management evaluations of recoverability of loans granted to its subsidiary companies.</p>
<b>2</b>	<b>Computation and disclosures as prescribed in the InvIT regulations relating to Statement of Net Assets and Total Returns at Fair Value</b>	<b>Our audit procedures include the following-</b>
	<p>As per the provisions of InvIT Regulations, the Fund is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates etc.</p> <p>Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the standalone financial statements.</p>	<p>-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.</p> <p>-Assessed the appropriateness</p> <p>-Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation.</p> <p>We have relied on the valuation report issued by the independent valuer appointed by the Investment Manager in accordance with SEBI InvIT Regulations.</p>

<b>3</b>	<p><b>Related Party transactions and Disclosure</b></p> <p>The Fund has undertaken transactions with its related parties in the normal course of business. These include giving loans to SPVs, interest on such loans, 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, 2022 and regulatory compliance thereon.</p>	<p><b>Our audit procedures include the following</b></p> <p>Obtained, read and assessed the Fund'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.</p> <p>Verified on sample basis the related party transactions with the underlying contracts and other supporting documents for appropriate approval of such transactions.</p> <p>Reviewed minutes of Board of Directors and relevant committee meetings in connection with transactions with related parties effected during the year by the Fund.</p>
----------	---	--

#### 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 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 in the 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 Management and Those charged with governance 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, 2022, financial performance including other comprehensive income, movement of unit holder's funds and cash flows for the year ended March 31, 2022, and its total returns at fair value in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and/or any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended read with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder (together referred to as the 'InvIT Regulations'). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions InvIT Regulations for safeguarding of the assets of the Fund and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of Directors either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

## **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:

vii) 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.

- viii) 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.
- ix) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- x) 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 Fund 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 Fund to cease to continue as a going concern.
- xi) 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 Fund 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 Fund; 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: May 4, 2022

# Standalone Balance Sheet

as at March 31, 2022

Particulars	Notes	As at 31st March 2022	As at 31st March 2021
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment		-	-
(b) Financial assets			
(i) Investments	3	660,311.54	-
(ii) Trade receivables	4	-	-
(iii) Loans		-	-
(iv) Other financial Assets	8	-	-
(c) Deferred tax assets		-	-
(d) Other non-current asset	9	-	-
<b>Total non-current assets</b>		<b>660,311.54</b>	<b>-</b>
<b>(2) Current assets</b>			
(a) Inventories		-	-
(b) Financial assets			
(i) Investments	3	6,002.12	-
(ii) Trade receivables	4	4,981.98	-
(iii) Cash and cash equivalent	5	1,414.83	0.25
(iv) Bank balance other than (ii) above	6	13,869.00	-
(v) Loans	7	16,608.93	0.50
(vi) Other financial Assets	8	656.00	-
(c) Current tax asset (Net)		70.81	-
(d) Other current assets	9	9.24	-
<b>Total current assets</b>		<b>43,612.91</b>	<b>0.75</b>
<b>TOTAL ASSETS</b>		<b>703,924.45</b>	<b>0.75</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Unit Capital	10	376,682.96	-
(b) Other equity	11	7,847.43	(335.62)
<b>Total Equity</b>		<b>384,530.39</b>	<b>(335.62)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	11	293,982.67	-
(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	-	-
(d)	Deferred tax liabilities (net)	-	-
(e)	Other non-current liabilities	-	-
	<b>Total non-current liabilities</b>	<b>293,982.67</b>	<b>-</b>
<b>(2)</b>	<b>Current liabilities</b>		
(a)	Financial liabilities		
(i)	Borrowings	11	25,392.00
(ii)	Trade payable	12	
	(a) total outstanding dues of micro enterprises and small enterprises;	-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises;	3.36	319.50
(iii)	Other financial liabilities		
(b)	Other current liabilities	13	8.29
(c)	Provisions	14	7.74
(d)	Current tax liability	-	-
	<b>Total current liabilities</b>	<b>25,411.39</b>	<b>336.38</b>
	<b>TOTAL LIABILITIES</b>	<b>319,394.06</b>	<b>336.38</b>
	<b>TOTAL EQUITY AND IABILITIES</b>	<b>703,924.45</b>	<b>0.75</b>

The notes on accounts forms an integral part of financial statements 1 to 34

As per our report on even date  
**For Mukund M Chitale & Co.**  
Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

**Nitan Chhatwal**

Director

DIN: 00115575

**Nikhil Pareek**

Director

DIN : 07083015

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

Place: Mumbai

Date: 04/05/2022

Place: Mumbai

Date: 04/05/2022

Place: Mumbai

Date: 04/05/2022

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31<sup>st</sup> March 2022

(Rs.in Lakhs)

Particulars	Notes	Year ended March 31, 2022	For the Period December 31, 2020 to 31st March, 2021
<b>Income</b>			
(I) Revenue from Operations	15	33,597.23	-
(II) Other income	16	5,924.98	-
<b>(III) Total Income (I+II)</b>		<b>39,522.21</b>	<b>-</b>
<b>Expenses</b>			
Investment Manager Fees		627.33	-
Finance costs	17	12,652.87	-
Other expenses	18	2,683.82	335.62
<b>Total expenses (IV)</b>		<b>15,964.02</b>	<b>335.62</b>
(V) Profit/(loss) before exceptional items and tax (III-IV)		23,558.19	(335.62)
(VI) Exceptional items		-	-
<b>(VII) Profit / (loss) before tax (V) - (VI)</b>		<b>23,558.19</b>	<b>(335.62)</b>
<b>Tax expenses</b>			
(1) Current tax		-	-
(2) Deferred tax (credit)/charge		-	-
<b>(IX) Profit / (Loss) for the year / period from continuing operations (VII - VIII)</b>		<b>23,558.19</b>	<b>(335.62)</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) Profit/(loss) for the year VI= (IX+XII)</b>		<b>23,558.19</b>	<b>(335.62)</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) Total Comprehensive Income for the year / period (XIII+XIV)</b>		<b>23,558.19</b>	<b>(335.62)</b>

<b>(XVI) Earnings per unit</b>	20		
(1) Basic ( in Rs)		6.03	NA
(2) Diluted ( in Rs)		6.03	NA

**The notes on accounts forms an integral part of financial statements 1 to 34**

As per our report on even date  
**For Mukund M Chitale & Co.**  
 Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

# STATEMENT OF CASHFLOW

for the financial year ended 31<sup>st</sup> march 2022

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	For the Period December 31 ,2020 to 31 <sup>st</sup> March, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>	-	
<b>Net Profit / (loss) before tax as per Statement of Profit &amp; Loss</b>	23,558.19	(335.62)
<b>Adjusted for:</b>		
Interest on Fixed Deposits/Gov Sec and Bonds	1,061.69	-
Finance Cost	12,652.87	-
<b>Operating Profit / (loss) before Working Capital Changes</b>	37,272.75	(335.62)
<b>Adjusted for:</b>		
(Increase)/Decrease in Trade receivables	(4,981.98)	-
(Increase)/Decrease in Other current assets	(9.24)	-
(Increase)/Decrease in Current Tax Assets	(70.81)	-
(Increase)/Decrease in Financials Assets	(656.00)	-
Increase/(Decrease) in Trade payable	(316.13)	318.99
Increase/(Decrease) in Provisions	7.74	-
Increase/(Decrease) in Other Current liabilities	(8.58)	16.88
<b>Net cash from Operating Activities before Income Tax</b>	31,237.75	0.25
Income tax paid	-	-
<b>Net Cash from Operating Activities</b>	<b>31,237.75</b>	<b>0.25</b>
Sale of Asset On Account of Service Concession Arrangement		-
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Investments	(666,313.66)	-
Interest Income	(1,061.69)	-
	<b>(667,375.35)</b>	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Unit Issued	390,470.00	-
Proceeds from Borrowings	319,374.67	-
Preceeds from Loan Given	(16,608.42)	-
Distribution to unitholders		-

	(29,162.20)	
Finance Cost	(12,652.87)	-
<b>Net Cash from / (used in) Financing Activities</b>	<b>651,421.18</b>	<b>-</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>15,283.58</b>	<b>0.25</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>0.25</b>	<b>-</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>15,283.83</b>	<b>0.25</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	As on 31st March, 2022	As on 31st March, 2021
Cash on hand	-	-
Balances with banks:		
In current accounts	1,414.83	0.25
In fixed deposits	13,869.00	-
	<b>15,283.83</b>	<b>0.25</b>

**The notes on accounts forms an integral part of financial statements** **1 to 34**

As per our report on even date  
**For Mukund M Chitale & Co.**  
Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

**Statement of Changes in Unit holders Equity for the year ended March 31,2022**

**a. Unit Capital**

**Current reporting period:- 31st March 2022**

(Rs.in Lakhs)

Balance at the beginning of the current reporting period	Changes in unit Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in unit capital during the current year	Balance at the end of the current reporting period
-	-	-	376,682.96	376,682.96

**Previous reporting period:- 31st March 2021**

(Rs.in Lakhs)

Balance at the beginning of the previous reporting period	Changes in unit Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in unit Capital during the previous year	Balance at the end of the previous reporting period
-	-	-	-	-

Number of Units	as At March 31,2022	as At March 31,2021
At the Beginning of the year	-	-
Issued During the year*	390,470,000	-
<b>At the end of the year</b>	<b>390,470,000</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.

'During the year company has distributed return of capital Rs.3.531 per unit (1st distribution Rs. 1.977 per unit return of capital and 2nd distribution Rs.1.554 per unit return of capital). Distribution in respect of return of capital does not includes distribution declared for the period st January 2022 to 31<sup>st</sup> March 2022.



**b. Other equity**

(Rs.in Lakhs)

Particulars	Reserves and Surplus		Total
	Retained Earnings	Security premium	
<b>As at 31st March 2022</b>			
Balance at the beginning of the current year	(335.62)	-	<b>(335.62)</b>
Total comprehensive income	23,558.19	-	<b>23,558.19</b>
- Distributions made to the unit holder during the year*	(15,375.14)		<b>(15,375.14)</b>
<b>Balance as on 31 March 2022</b>	<b>7,847.43</b>	-	<b>7,847.43</b>
<b>As at 31st March 2021</b>			
Balance at the beginning of the current year	-	-	-
Total comprehensive income	(335.62)	-	(335.62)
<b>Balance as on 31 March 2021</b>	<b>(335.62)</b>	-	<b>(335.62)</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 during the year and does not include the distribution relating to the period January 01, 2022 to March 31, 2022 which will be paid after March 31, 2022.

The notes on accounts forms an integral part of financial statements 1 to 34.

As per our Report of even date

As per our report on even date  
**For Mukund M Chitale & Co.**  
 Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

## 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 31st March 2022	
	Book Value	Fair Value
<b>A. Assets</b>	703924.45	716245.04
<b>B. Liabilities (At Book Value)</b>	319394.06	319394.06
<b>C. Net Assets (A-B)</b>	384530.39	396850.98
<b>D. Number of Units (In Lacs)</b>	3904.70	3904.70
<b>E. NAV (C/D) ( Amount in Rs)</b>	98.48	101.63

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

(Rs in Lakhs)

Particulars	Year ended March 31, 2022
<b>Total Comprehensive Income</b>	23558.19
<b>(As per the Statement of Profit and Loss)</b>	
<b>Add/(less): Other Changes in Fair Value</b>	12320.59
<b>Comprehensive Income</b>	35,878.78

#### Note:

1. Fair value of assets 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.

2. Shrem InvIT was 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 InvIT had Listed its units on 21st September 2021 hence, the Statement of Net Asset at Fair Value and Statement of Total Returns at Fair Value as at 31st March 2021 is not given.



As per our Report of even date

As per our report on even date  
**For Mukund M Chitale & Co.**  
Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

## NOTES TO STANDALONE FINANCIAL STATEMENTS PERIOD ENDED 31<sup>ST</sup> MARCH, 2022

### 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.

The trust portfolio of assets comprises 24 road project SPVs acquired by the sponsor through three companies namely, Shrem roadways private limited (SRPL), Shrem Infraventure private limited (SIPL) and Shrem tollways private limited (STPL), namely,

- i) Suryavanshi Infrastructure Private Limited
- ii) DBL Nadiad Modasa Tollways Limited
- iii) DBL Jaora-Sailana Tollways Limited
- iv) DBL Bankhlaftata-Dogawa Tollways Limited
- v) DBL Mundargi Harapanahalli Tollways Limited
- vi) DBL Hssasn- Periyapatna Tollways Limited
- vii) DBL Hirekerur Ranibennur Tollways Limited
- viii) DBL Sardapur Badnawar Tollways Limited
- ix) DBL Silwani - Sultanganj Tollways Limited
- x) DBL Mundisanawad Tollways Limited
- xi) DBL Sitamau- Suwasara Tollways Limited
- xii) DBL Uchera-Nagod Tollways Limited
- xiii) DBL Ashoknagar-Vidisha Tollways Limited
- xiv) DBL Betul-Sarni Tollways Limited
- xv) DBL Tikamgarh- Nowgaon Tollways Limited
- xvi) DBL Hatadargawon Tollways Limited
- xvii) DBL Patanrehli Tollways Limited
- xviii) DBL Luknow Sultanpur Highways Limited
- xix) DBL Kalmath Zarap Highways Limited
- xx) DBL Yavatmal Wardha Highways Private Limited
- xxi) DBL Mahagaon Yavatmal Highways Private Limited
- xxii) DBL Wardha Butibori Highways Private Limited
- xxiii) DBL Tuljapur AUSA Highways Limited
- xxiv) Jalpadevi Tollways Limited

### 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**

### **2.3.1 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.

### **2.3.2 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.

### **2.3.3 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).

### 2.3.4 Intangible Assets

#### (a) 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.

### 2.3.5 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.

### **2.3.6 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.

### **2.3.7 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.

### **2.3.8 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.

### **2.3.9 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.

### **2.3.10 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.

### **2.3.11 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.

### **2.3.12 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.

### **2.3.13 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.

### **2.3.14 Investment in subsidiaries**

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

### 2.3.15 Distribution to unit holders

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

### 2.3.16 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 : Investment

### Investments measured at Amortized Cost

(Rs. in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
-------------	-----------------------	-----------------------

#### Non Current Investment

#### [A] Investment at Cost

#### [1] Investments in Equity Instruments In Subsidiary Companies ( Unquoted)

(i) Shrem Infraventure Private Limited 1,19,19,791 Equity shares of Rs. 10 each fully paid up ( Nil Shares as at March 31, 2021)	133,336.80	-
(ii) Shrem Roadways Private Limited 2,05,55,106 Equity shares of Rs.10 each fully paid up ( Nil Shares as at March 31, 2021)	88,793.00	-
(iii) Shrem Tollway Private Limited 12,12,221 Equity shares of Rs.10 each fully paid up ( Nil Shares as at March 31, 2021)	132,475.70	-

[A](1)	<b>354,605.50</b>	-
--------	-------------------	---

#### [2] Investments in Non Convertible debenture (NCD) In Subsidiary Companies

(i) 14% DBL Ashoknagar-Vidisha Tollways Ltd 2570 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	2,570.00	-
(ii) 14% DBL Bankhrafata-Dogawa Tollways Ltd 3,320 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	3,320.00	-
(iii) 12% DBL Betul Sarni Tollways Ltd 12672.99 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	12,672.99	-
(iv) 14% DBL Hassan Periyapatna Tollways Ltd	4,927.75	-

	4927.75 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)		
(v)	14% DBL Hata Dargawon Tollways Limited 4,344.01 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	4,344.01	-
(vi)	14% DBL Hirekerur Ranibennur Tollways Ltd 2023.50 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	2,023.50	-
(vii)	14% DBL Jaora Sailana Tollways Ltd 3,220 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	3,220.00	-
(viii)	13% DBL Kalmath Zarap Highways Ltd 21,367.50 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	21,367.50	-
(ix)	13% DBL Lucknow Sultanpur Highways Ltd 65,774 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	65,774.00	-
(x)	13% DBL Mahagaon Yavatmal Highways Pvt Ltd 24,030 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	24,030.00	-
(xi)	14% DBL Mundargi Harapanahalli Tollways Ltd 1696.50 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,696.50	-
(xii)	14% DBL Mundi Sanawad Tollways Ltd 2,712.32 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	2,712.32	-
(xiii)	14% DBL Nadiad Modasa Tollways Ltd 1930 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,930.00	-
(xiv)	14% DBL Patan Rehli Tollways Ltd 10,364.01 NCD of Rs. 1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	10,364.01	-
(xv)	14% DBL Sardarpur Badnawar Tollways Ltd 1,504.80 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,504.80	-
(xvi)	14% DBL Silwani Sultanganj Tollways Ltd 1,780 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,780.00	-
(xvii)	14% DBL Sitamau Suwasara Tollways Ltd 1,347.50 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,347.50	-
(xviii)	14% DBL Tikamgarh Nowgaon Tollways Ltd 4,232 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	4,232.00	-
(xiv)	13% DBL Tuljapur AUSA Highways Ltd 15,476 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	15,476.00	-
(xx)	14% DBL Uchera Nagod Tollways Ltd 1,260 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,260.00	-
(xxi)	13% DBL Wardha Butibori Highways Pvt Ltd 18,068 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	18,068.00	-

(xxii)	13% DBL Yavatmal Wardha Highways Pvt Ltd 15,839 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	15,839.00	-
(xxiii)	14% Jalpa Devi Tollways Limited 45,151 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	45,141.00	-
	[A](2)	<b>265,600.88</b>	-

[B] **Investment at amortised Cost**

[1] **Investments in Government Securities**

	6.64% G-Sec 2035	7,372.50	
	6.64% G Sec 2035	2,949.00	
	6.68% G-Sec 2031	5,096.00	
	7.26% G-Sec 2029	5,275.00	
	[B](1)	<b>20,692.50</b>	-

[2] **Investments in Others**

	7.03% Indian Railway Finance Corporation Ltd. Bonds	2,944.78	
	7.32% India Grid Trust NCD (Series L)	10,942.15	
	7.48% Mangalore Refinery & Petrochemicals Ltd NCD	2,541.43	
	Trust Investment Advisors-Commercial Paper(6%)	2,984.30	
	[B](2)	<b>19,412.66</b>	-

	Total	<b>660,311.54</b>	-
--	-------	-------------------	---

	Aggregate book value for quoted investments	-	-
	Aggregate value for unquoted investments	<b>660,311.54</b>	-
	Aggregate provision for impairment	-	-

**Current Investment**

**Investment at Cost**

[C] **Investments in Non Convertible debenture (NCD)  
In Subsidiary Companies**

(i)	13% DBL Kalmath Zarap Highways Ltd 1629.50 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,629.50	-
(ii)	12% DBL Betul Sarni Tollways Ltd 1,537.01 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	1,537.01	-
(iii)	14% DBL Mundi Sanawad Tollways Ltd 972.68 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	972.68	-

(iv)	14% DBL Hassan Periyapatna Tollways Ltd 176.25 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	176.25	-
(v)	14% DBL Hata Dargawon Tollways Limited 240.99 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	240.99	-
(vi)	14% DBL Hirekerur Ranibennur Tollways Ltd 700.50 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	700.50	-
(vii)	14% DBL Sardarpur Badnawar Tollways Ltd 500.20 NCD of Rs.1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	500.20	-
(viii)	14% DBL Patan Rehli Tollways Ltd 244.99 NCD of Rs. 1,00,000 each fully paid up ( Nil NCD as at March 31, 2021)	244.99	-
	<b>[C]</b>	<b>6,002.12</b>	<b>-</b>
	<b>Total</b>	<b>666,313.66</b>	<b>-</b>
	Aggregate book value for quoted investments	-	-
	Aggregate value for unquoted investments	<b>6,002.12</b>	-
	Aggregate provision for impairment	-	-

#### Note 4 : Trade Receivables

(Rs. in Lakh)

	Particulars	As at 31st March 2022	As at 31st March 2021
	Current		
(i)	Trade Receivable considered good-secured		-
(ii)	Trade Receivable considered good-Unsecured	4,981.98	-
(iii)	Trade Receivables which have significant risk in Credit Risk	-	-
(iv)	Trade Receivables - credit impaired	-	-
	Sub Total	4,981.98	-
Less:	Less : Impairment loss allowance	-	-
	Total Current	4,981.98	-
	Total	4,981.98	-

\* Receivable from related party Rs.4981.98 lakhs (As at March 31, 2021 : Rs. Nil)

### Trade Receivables Ageing schedule

(Rs. in Lakh)

	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	
(i)	<b>As at March 31,2022</b>						
	Undisputed Trade receivables – considered good*	4,981.98					4,981.98
	<b>Total</b>	4,981.98	-	-	-	-	4,981.98
(i)	<b>As at March 31,2021</b>						
	Undisputed Trade receivables – considered good	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-

### Note 5 : Cash And Cash Equivalents

(Rs. in Lakh)

	Particulars	As at 31st March 2022	As at 31st March 2021
(i)	Cash on hand	-	-
(ii)	Balance with Banks	1,414.83	0.25
(iii)	Term deposits with maturity less than 12 months		
	<b>Total</b>	<b>1,414.83</b>	<b>0.25</b>

### Note 6 : Bank balance other than above

(Rs. in Lakh)

	Particulars	As at 31st March 2022	As at 31st March 2021
(i)	Term deposits with maturity less than 12 months	13,869.00	-
	<b>Total</b>	<b>13,869.00</b>	<b>-</b>

### Note 7 : Loans & Advances

(Rs. in Lakh)

	Particulars	As at 31st March 2022	As at 31st March 2021
(i)	<b>Current loans to related party</b>		
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	16,608.93	0.50



(c) Loans Receivables which have significant risk in Credit Risk	-	-
(d) Loans Receivables - credit impaired	-	-
<b>Total</b>	<b>16,608.93</b>	<b>0.50</b>

(Rs.in Lakhs)

Type of Borrower	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	<b>16,608.93</b>	<b>100%</b>

#### Note 8: Other Financial Assets

(Rs. in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>a) Non Current</b>	-	-
	-	-
<b>b) Current</b>		
Interest accrued on investment	656.00	-
<b>Total Non Current</b>	<b>656.00</b>	<b>-</b>

#### Note 9: Other Assets

(Rs. in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>a) Non Current Assets</b>	-	-
<b>Total Non Current</b>	<b>-</b>	<b>-</b>
<b>b) Current Assets</b>		
(i) Prepaid Expenses	7.24	-
(ii) Advance to Suppliers	1.88	-
(iii) Other Assets	0.12	-
<b>Total</b>	<b>9.24</b>	<b>-</b>

## Note 10: Capital

### Unit Capital

Particulars	Face value of Shares per Unit (In Rs)	Number of units (in Lakhs)	Amount
Balance as on 31st March 2021	-	-	-
Issued during the year as fully paid	100.00	3,904.70	390,470.00
Less:- Return of unit capital	(3.531)	-	(13,787.04)
<b>Balance as on 31st March 2022</b>	<b>96.469</b>	<b>3,904.70</b>	<b>376,682.96</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.

### 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 31st March 2022		As at 31st March 2021	
	No of Units (Lakhs)	Rs. In Lakhs	No of Units (Lakhs)	Rs. In Lakhs
At the beginning of the year	-	-	-	-
Issued during the year as fully paid	3,904.70	390,470.00	-	-
<b>Lees :- Capital reduction during the year</b>		(13,787.04)		
At the end of the year	<b>3,904.70</b>	<b>376,682.96</b>	-	-

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

Particulars	As at 31st March 2022		As at 31st March 2021	
	No of Units (Lakhs)	%	No of Units (Lakhs)	%
Shrem Infrastructure Private Limited	2,455.24	62.88%	-	-
Shrem Investment Private Limited	312.35	8.00%	-	-

Nitan Chhatwal	273.01	6.99%	-	-
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				% Change during the period ended March 31,2022
S. No	Promoter Name	No. of Units	% of total Units	
1	Shrem Infrastructure Private Limited	2,455.24	62.88%	

**Note 10: Other Equity**

i. Retained Earnings

(Rs. in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the year	(335.62)	-
- Profit / (loss) for the year / period	23,558.19	(335.62)
- Other comprehensive income (net of tax)	-	-
- Distributioans made to the unit holder during the year	(15,375.14)	-
<b>Total</b>	<b>7,847.43</b>	<b>(335.62)</b>
<b>Balance of Other Equity at the end of the period</b>	<b>7,847.43</b>	<b>(335.62)</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 during the year and does not include the distribution relating to the period January 01, 2022 to March 31,2022 which will paid after March 31, 2022.

**Note 11 : Borrowings:**

(Rs. in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(a) Non Current</b>		
<b>(i) secured</b>		
Term Loan	320,606.28	-

Unamortised Processing Fees on TL	(1,231.61)	
Less:- Current Maturity of long term debts	(25,392.00)	
<b>Total Non current</b>	<b>293,982.67</b>	<b>-</b>
(i) Current secured Current Maturity of long term debts	25,392.00	-
Total (B)	25,392.00	-
<b>Grand Total (A+B)</b>	<b>319,374.67</b>	<b>-</b>

a) Term Loans are Secured by:

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 amount adequate to cover interest and installment of two quarters.

b) The repayment is executed to be on quarterly basis which began in June 2021 and end in June 2035 as per repayment schedule specified in loan agreement.

c) There has been no default in the repayment of borrowings and interest obligation during the year.

#### Note :12 Trade Payables - aging Schedule

Particulars	(Rs. in Lakhs)	
	As at 31st March 2022	As at 31st March 2021
<b>Current</b>		
<b>(a) Payable to Others</b>		
(i) total outstanding dues of micro enterprises and small enterprises (Refer Note 24)	-	-

(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.36	319.50
<b>Total current</b>	<b>3.36</b>	<b>319.50</b>

### Trade payable aging

(Rs. in Lakhs)

	Particulars	Outstanding for following periods from due date of payment					
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Others*	Total
(i)	<b>As at March 31,2022</b> total outstanding dues of micro enterprises and small enterprises;	-	-	-	-	-	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises;	3.36	-	-	-	-	3.36
	<b>Total</b>	<b>3.36</b>	-	-	-	-	<b>3.36</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;	319.50	-	-	-	-	319.50
	<b>Total</b>	<b>319.50</b>	-	-	-	-	<b>319.50</b>

### Note 13 : Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Dues	8.29	16.88
<b>Total</b>	<b>8.29</b>	<b>16.88</b>

#### Note 14 : Provision

(Rs. in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Expenses	7.74	-
<b>Total</b>	<b>7.74</b>	<b>-</b>

#### Note 15 : Revenue from Operations

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	For the Period December 31, 2020 to 31st March, 2021
<b>Interest Income</b>		
(i) Interest Income on Loans and Advances	1,754.94	-
(ii) Interest Income on NCDs	19,152.01	-
(iii) Dividend Income	12,690.28	-
<b>Total</b>	<b>33,597.23</b>	<b>-</b>

#### Note 16 : Other Income

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	For the Period December 31, 2020 to 31st March, 2021
<b>Other non-operating income</b>		
(i) Other Support Services- Revenue	4,855.87	-
(ii) Interest on Fixed Deposit	199.21	-
(iii) Interest Income on Bonds / G-Sec/ NCD / Commercial Paper	862.48	-
(v) Capital Gain on Redemption	7.42	-
<b>Total</b>	<b>5,924.98</b>	<b>-</b>

**Note 17 : Finance Cost**

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	For the Period December 31 ,2020 to 31st March, 2021
(i) Interest on Borrowings	12,641.69	-
(ii) Other borrowing costs	11.18	-
<b>Total</b>	<b>12,652.87</b>	<b>-</b>

**Note 18 : Other Expenses**

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	For the Period December 31 ,2020 to 31st March, 2021
(i) Audit Fees (Refer Note 19)	10.60	5.00
(ii) Legal & Professional Fees	82.79	35.00
(iii) Rent,Rates and Taxes	(32.87)	40.52
(iv) Miscellaneous Expenses	0.65	0.10
(v) Other supportive services	2,591.45	185.00
(vi) Registration & Stamp Duty	17.42	70.00
(vii) Insurance Expenses	3.26	-
(viii) Interest on Statutory dues	0.02	-
(x) Listing Fees	10.50	-
<b>Total</b>	<b>2,683.82</b>	<b>335.62</b>

**Note 19 : Remuneration to Auditors**

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	For the Period December 31 ,2020 to 31st March, 2021
(i) Audit Fees	10.60	5.00
(ii) For taxation matters	-	-
(iii) Expenses reimbursed	-	-
<b>Total</b>	<b>10.60</b>	<b>5.00</b>

**Note 20: Statement of earning per unit**

Particulars	Year ended March 31, 2022	For the Period December 31 ,2020 to 31st March, 2021
a) Profit / (Loss) for the year before tax	23,558.19	(335.62)
Less : Attributable Tax thereto	-	-
Profit / (Loss) after Tax	23,558.19	(335.62)
b) No of units outstanding for computation of basic and diluted earning per unit	3,904.70	NA
Earning per Unit (Basic and diluted) (Rs. Per unit)	<b>6.03</b>	-

**Note 21: Contingent liabilities**

There are no Contingent liabilities as at March 31,2022 (March 31, 2021: Rs. Nil)

**Note 22: Capital and other commitments**

There are no Capital and other commitments as at March 31,2022 (March 31, 2021: Rs. Nil)

**23. Related Parties Transactions**

**Reporting Enterprise**

Shrem InvIT

**List of related parties is given below**

**l) 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 ( From 16th September 2021)  
Shrem Infraventure Private Limited ( From 16th September 2021)  
Shrem Roadways Private Limited ( From 16th September 2021)

**Step down subsidiary Companies**

Suryavanshi Infrastructure Private Limited ( From 16th September 2021)  
DBL Nadiad Modasa Tollways Limited ( From 16th September 2021)  
DBL Jaora-Sailana Tollways Limited ( From 16th September 2021)  
DBL Bankhlfata-Dogawa Tollways Limited ( From 16th September 2021)  
DBL Mundargi Harapanahalli Tollways Limited ( From 16th September 2021)  
DBL Hssasn- Periyapatna Tollways Limited ( From 16th September 2021)  
DBL Hirekerur Ranibennur Tollways Limited ( From 16th September 2021)  
DBL Sardarpur Badnawar Tollways Limited ( From 16th September 2021)  
DBL Silwani - Sultanganj Tollways Limited ( From 16th September 2021)  
DBL Mundisanawad Tollways Limited ( From 16th September 2021)  
DBL Sitamau- Suwasara Tollways Limited ( From 16th September 2021)



DBL Uchera-Nagod Tollways Limited ( From 16th September 2021)  
DBL Ashoknagar-Vidisha Tollways Limited ( From 16th September 2021)  
DBL Betul-Sarni Tollways Limited ( From 16th September 2021)  
DBL Tikamgarh- Nowgaon Tollways Limited ( From 16th September 2021)  
DBL Hatadargawon Tollways Limited ( From 16th September 2021)  
DBL Patanrehli Tollways Limited ( From 16th September 2021)  
DBL Luknow Sultanpur Highways Limited ( From 16th September 2021)  
DBL Kalmath Zarap Highways Limited ( From 16th September 2021)  
DBL Yavatmal Wardha Highways Private Limited ( From 16th September 2021)  
DBL Mahagaon Yavatmal Highways Private Limited ( From 16th September 2021)  
DBL Wardha Butibori Highways Private Limited ( From 16th September 2021)  
DBL Tuljapur Ausa Highways Limited ( From 16th September 2021)  
Jalpadevi Tollways Limited ( From 20th September 2021)

## 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

**(b) Transactions with the related parties:**

(Rs. in Lakh)

Sr No	Transactions	Name of Related Parties	Year ended March 31, 2022	For the Period December 31, 2020 to 31st March, 2021
1	Interest Income on Loans and Advances	<b><u>Subsidiary</u></b>		
		Shrem Roadways Private Limited	0.50	
		Shrem Tollway Private Limited	0.55	
		Shrem Infraventure Private Limited	0.15	
		<b><u>Step Down Subsidiary</u></b>		
		DBL Ashoknagar Vidisha Tollways Limited	0.10	
		DBL Uchera Nagod Tollways Limited	0.11	
		DBL Lucknow Sultanpur Highways Limited	63.67	
		DBL Kalmath Zaraph Highways Limited	300.24	
		DBL Yavatmal Wardha Highways Private Limited	106.36	
		DBL Tuljapur Ausa Highways Limited	30.43	
		DBL Wardha Butibori Highways Private Limited	21.62	
		DBL Mahagaon Yavatmal Highways Private Limited	6.59	
		Jalpa Devi Tollways Limited	317.36	
		DBL Betul Sarni Tollways Limited	157.84	
		DBL Hata Dargawon Tollways Limited	38.86	
		DBL Silwani Sultanganj Tollways Limited	8.71	
		DBL Mundi Sanawad Tollways Limited	57.71	
		DBL Sardarpur Badnawar Tollways Limited	152.60	
		DBL Nadiad Modasa Tollways Limited	4.21	
		DBL Patan Rehli Tollways Limited	202.50	
		DBL Tikamgarh Nowgaon Tollways Limited	2.71	
		DBL Bankhlaftata Dogawa Tollways Limited	38.68	

	DBL Jaora Sailana Tollways Limited	7.03	
	DBL Mundargi Harapanahalli Tollways Limited	47.13	
	DBL Hassan Periyapatna Tollways Limited	71.59	
	DBL Hirekerur Ranibennur Tollways Limited	117.68	
		<b>1,754.94</b>	<b>-</b>
	<b><u>Subsidiary</u></b>		
<b><u>Interest Income on OCD</u></b>	Shrem Roadways Private Limited	1.24	
	Shrem Infraventure Private Limited	0.71	
	Shrem Tollway Private Limited	0.48	
	<b><u>Subsidiary</u></b>		
<b><u>Interest Income on NCDs</u></b>	Shrem Roadways Private Limited	0.11	
	Shrem Infraventure Private Limited	0.07	
	Shrem Tollway Private Limited	0.04	
	<b><u>Step Down Subsidiary</u></b>		
	DBL Ashoknagar Vidisha Tollways Limited	243.80	
	DBL Lucknow Sultanpur Highways Limited	4,287.20	
	DBL Kalmath Zaraph Highways Limited	1,562.87	
	DBL Yavatmal Wardha Highways Private Limited	1,078.88	
	DBL Tuljapur Ausa Highways Limited	1,041.46	
	DBL Wardha Butibori Highways Private Limited	1,275.04	
	DBL Mahagaon Yavatmal Highways Private Limited	1,762.57	
	Jalpa Devi Tollways Limited	3,269.64	
	DBL Betul Sarni Tollways Limited	860.30	
	DBL Hata Dargawon Tollways Limited	334.75	
	DBL Silwani Sultanganj Tollways Limited	175.24	
	DBL Sitamau Suwasara Tollways Limited	116.08	
	DBL Mundi Sanawad Tollways Limited	266.07	
	DBL Uchera Nagod Tollways Limited	107.50	
	DBL Sardarpur Badnawar Tollways Limited	143.27	
	DBL Patan Rehli Tollways Limited	781.25	
	DBL Tikamgarh Nowgaon Tollways Limited	376.29	
	DBL Nadiad Modasa Tollways Limited	197.91	

	DBL Bankhlafata Dogawa Tollways Limited	240.51	
	DBL Jaora Sailana Tollways Limited	238.43	
	DBL Mundargi Harapanahalli Tollways Limited	145.83	
	DBL Hassan Periyapatna Tollways Limited	418.80	
	DBL Hirekerur Ranibennur Tollways Limited	225.65	
		<b>19,152.01</b>	<b>-</b>
<b><u>Interest Income on Bonds</u></b>	<b><u>Step Down Subsidiary</u></b>		
	DBL Hassan Periyapatna Tollways Limited	0.93	
	DBL Tuljapur Ausa Highways Limited	0.61	
	DBL Sardarpur Badnawar Tollways Limited	0.28	
	DBL Sitamau Suwasara Tollways Limited	0.28	
	DBL Wardha Butibori Highways Private Limited	1.22	
	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 Kalmath Zaraph Highways Limited	0.91	
	DBL Yavatmal Wardha Highways Private Limited	0.91	
	DBL Mahagaon Yavatmal Highways Private Limited	1.65	
		<b>9.42</b>	<b>-</b>
<b>2</b>	<b><u>Other Income</u></b>		
	<b><u>Interim Dividend received</u></b>		
	<b><u>Subsidiary</u></b>		
	Shrem Infraventure Private Limited	4,521.00	
	Shrem Roadways Private Ltd	8,169.28	
		<b>12,690.28</b>	<b>-</b>
	<b><u>Other Support Services</u></b>		
	<b><u>Step Down Subsidiary</u></b>		
	DBL Tuljapur Ausa Highways Limited	311.81	
	DBL Wardha Butibori Highways Private Limited	540.07	
	DBL Yavatmal Wardha Highways Private Limited	394.78	
	DBL Mahagaon Yavatmal Highways Private Limited	460.94	
	DBL Kalmath Zaraph Highways Limited	612.51	
	DBL Ashoknagar Vidisha Tollways Limited	30.51	
	DBL Patan Rehli Tollways Limited	138.98	
	DBL Sardarpur Badnawar Tollways Limited	21.60	
	DBL Silwani Sultanganj Tollways Limited	56.49	
	DBL Sitamau Suwasara Tollways Limited	31.10	
	Suryavanshi Infrastructure Private Limited	19.56	
	DBL Tikamgarh Nowgaon Tollways Limited	63.22	

	DBL Uchera Nagod Tollways Limited	62.52	
	DBL Lucknow Sultanpur Highways Limited	705.68	
	DBL Mundi Sanawad Tollways Limited	53.51	
	DBL Mundargi Harapanahalli Tollways Limited	140.18	
	DBL Jaora Sailana Tollways Limited	70.90	
	Jaipa Devi Tollways Limited	506.73	
	DBL Hata Dargawon Tollways Limited	51.35	
	DBL Bankhlaftata Dogawa Tollways Limited	54.49	
	DBL Betul Sarni Tollways Limited	116.38	
	DBL Nadiad Modasa Tollways Limited	83.81	
	DBL Hassan Periyapatna Tollways Limited	185.91	
	DBL Hirekerur Ranibennur Tollways Limited	142.86	
		<b>4,855.87</b>	<b>-</b>
3	<b><u>Expenses</u></b>		
	<b><u>Investment Manager</u></b>		
	Shrem Financials Private Limited	627.33	-
		<b>627.33</b>	<b>-</b>
	<b><u>Other Support services</u></b>		
	<b><u>Investment Manager</u></b>		
	Shrem Financials Private Limited	2,591.45	-
		<b>2,591.45</b>	<b>-</b>
4	Issue of Unit Capital		
	<b><u>Sponsor</u></b>		
	Shrem Infrastructure Private Limited	245,524.03	
	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>330,470.00</b>	<b>-</b>
5	Loan Given to related parties		
	<b><u>Step Down Subsidiary</u></b>		
	DBL Betul Sarni Tollways Limited	3,509.00	
	DBL Ashoknagar Vidisha Tollways Limited	33.00	
	DBL Bankhlaftata Dogawa Tollways Limited	1,330.00	
	DBL Hassan Periyapatna Tollways Limited	2,129.00	
	DBL Hata Dargawon Tollways Limited	675.00	
	DBL Hirekerur Ranibennur Tollways Limited	2,610.00	
	DBL Jaora Sailana Tollways Limited	539.00	
	DBL Kalmath Zaraph Highways Limited	9,105.23	
	DBL Lucknow Sultanpur Highways Limited	19,302.19	
	DBL Mahagaon Yavatmal Highways Private Limited	668.40	
	DBL Mundargi Harapanahalli Tollways Limited	1,079.00	
	DBL Mundi Sanawad Tollways Limited	1,235.00	
	DBL Nadiad Modasa Tollways Limited	563.00	

DBL Patan Rehli Tollways Limited	3,548.00
DBL Sardarpur Badnawar Tollways Limited	2,407.00
DBL Silwani Sultanganj Tollways Limited	280.00
DBL Tikamgarh Nowgaon Tollways Limited	220.00
DBL Uchera-Nagod Tollways Limited	40.00
DBL Tuljapur Ausa Highways Limited	835.00
DBL Wardha Butibori Highways Private Limited	5,471.00
DBL Yavatmal Wardha Highways Private Limited	3,056.00
Jalpa Devi Tollways Limited	5,750.00
Suryavanshi Infrastructure Pvt. Ltd	148.00

**Subsidiary**

Shrem Infraventure Private Limited	35,891.16
Shrem Roadways Private Ltd	10,640.00
Shrem Tollway Private Limited	18,189.70

**Investment Manager**

Shrem Financials Private Limited	5,959.39
	<b>135,213.07</b>

6 Repayment Loan  
from Related parties

**Step Down Subsidiary**

DBL Kalmath Zaraph Highways Limited	7,438.00
DBL Betul Sarni Tollways Limited	1,132.20
DBL Bankhlaftata Dogawa Tollways Limited	700.00
DBL Hassan Periyapatna Tollways Limited	1,819.00
DBL Jaora Sailana Tollways Limited	164.00
DBL Hata Dargawon Tollways Limited	300.00
DBL Hirekerur Ranibennur Tollways Limited	1,610.00
DBL Lucknow Sultanpur Highways Limited	19,302.19
DBL Mahagaon Yavatmal Highways Private Limited	668.40
DBL Mundargi Harapanahalli Tollways Limited	1,079.00
DBL Mundi Sanawad Tollways Limited	502.00
DBL Patan Rehli Tollways Limited	599.30
DBL Nadiad Modasa Tollways Limited	423.00
DBL Sardarpur Badnawar Tollways Limited	241.00
DBL Silwani Sultanganj Tollways Limited	256.00
DBL Tuljapur Ausa Highways Limited	451.11
DBL Tikamgarh Nowgaon Tollways Limited	158.00
DBL Wardha Butibori Highways Private Limited	5,471.00
DBL Uchera-Nagod Tollways Limited	20.00
DBL Yavatmal Wardha Highways Private Limited	3,056.00
Jalpa Devi Tollways Limited	2,385.70
Suryavanshi Infrastructure Pvt. Ltd	148.00

	<b><u>Subsidiary</u></b>		
	Shrem Infraventure Private Limited	35,891.16	
	Shrem Roadways Private Ltd	10,640.00	
	Shrem Tollway Private Limited	18,189.70	
	<b><u>Investment Manager</u></b>		
	Shrem Financials Private Limited	5,639.89	
		<b>118,284.65</b>	<b>-</b>
<b>7</b>	<b>Investment Made In Equity</b>		
	<b><u>Subsidiary</u></b>		
	Shrem Infraventure Private Limited	133,336.80	
	Shrem Roadways Private Limited	88,793.00	
	Shrem Tollway Private Limited	132,475.70	
		<b>354,605.49</b>	<b>-</b>
	<b>Investment Made In NCD's</b>		
	<b><u>Step Down Subsidiary</u></b>		
	DBL Ashoknagar-Vidisha Tollways Ltd	4,410.00	
	DBL Bankhlaftata-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 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 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 Tuljapur Ausa Highways Ltd	22,575.00	
	DBL Uchera Nagod Tollways Ltd	3,790.00	
	DBL Wardha Butibori Highways Pvt Ltd	23,035.00	
	DBL Yavatmal Wardha Highways Pvt Ltd	26,584.00	
	Jalpa Devi Tollways Limited	54,720.00	

	<b><u>Subsidiary</u></b>		
<b><u>Investment In</u></b> <b><u>Optionally</u></b> <b><u>convertible</u></b> <b><u>Debenture</u></b>	Shrem Infraventure Private Limited	17,200.00	
	Shrem Roadways Private Limited	28,300.00	
	Shrem Tollway Private Limited	11,700.00	
		<b>409,402.00</b>	<b>-</b>
8 Redemption of Investment in NCD's	<b><u>Step Down Subsidiary</u></b>		
	DBL Ashoknagar-Vidisha Tollways Ltd	1,840.00	
	DBL Hassan Periyapatna Tollways Ltd	3,037.00	
	DBL Hirekerur Ranibennur Tollways Ltd	1,736.00	
	DBL Kalmath Zarap Highways Ltd	3,253.00	
	DBL Mahagaon Yavatmal Highways Pvt Ltd	12,166.00	
	DBL Mundargi Harapanahalli Tollways Ltd	1,108.50	
	DBL Patan Rehli Tollways Ltd	1,241.00	
	DBL Tikamgarh Nowgaon Tollways Ltd	2,288.00	
	DBL Bankhlaifata-Dogawa Tollways Ltd	900.00	
	DBL Betul Sarni Tollways Ltd	850.00	
	DBL Hata Dargawon Tollways Limited	525.00	
	DBL Jaora Sailana Tollways Ltd	2,150.00	
	DBL Lucknow Sultanpur Highways Ltd	9,802.00	
	DBL Mundi Sanawad Tollways Ltd	475.00	
	DBL Nadiad Modasa Tollways Ltd	2,170.00	
	DBL Sardarpur Badnawar Tollways Ltd	275.00	
	DBL Silwani Sultanganj Tollways Ltd	1,320.00	
	DBL Sitamau Suwasara Tollways Ltd	542.50	
	DBL Tuljapur Ausa Highways Ltd	7,099.00	
	DBL Uchera Nagod Tollways Ltd	2,530.00	
	DBL Wardha Butibori Highways Pvt Ltd	4,967.00	
	DBL Yavatmal Wardha Highways Pvt Ltd	10,745.00	
	Jalpa Devi Tollways Limited	9,579.00	



		<u>Subsidiary</u>		
	<u>Redemption In</u>			17,200.00
	<u>Optionally</u>	Shrem Infraventure Private Limited		28,300.00
	<u>convertible</u>			
	<u>Debenture</u>	Shrem Roadways Private Limited		11,700.00
		Shrem Tollway Private Limited		
			<b>137,799.00</b>	<b>-</b>
9	Sale of Bonds	<u>Step down Subsidiary</u>		
	7.95% Bank of	DBL Kalmath Zaraph Highways Limited		300.60
	Baroda Perpetual	DBL Yavatmal Wardha Highways Private Limited		300.60
	Bonds	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>	<b>-</b>
	<u>8.05% Canara</u>	<u>Step down Subsidiary</u>		
	<u>Bank Perpetual</u>	DBL Hassan Periyapatna Tollways Limited		300.30
	<u>Bonds</u>	DBL Mahagaon Yavatmal Highways Private Limited		300.30
			<b>600.60</b>	<b>-</b>
10	Return of Unit Capital	Nitan Chhatwal		22.06
		Smita Nitan Chhatwal		7.06
		Shrem Investment Private Limited		1,102.87
		Nitan Chhatwal (on behalf of CGT)		928.66
		Hitesh Chhatwal		22.06
		Shrem Infrastrucure Pvt Ltd		8,669.16
		R S Infra Advisors and Konsultant LLP		923.69
			<b>11,675.57</b>	<b>-</b>
11	Interim Dividend Paid	Nitan Chhatwal		20.31
		Smita Nitan Chhatwal		6.50
		Shrem Investment Private Limited		1,015.14
		Nitan Chhatwal (on behalf of CGT)		854.78
		Hitesh Chhatwal		20.31
		Shrem Infrastrucure Pvt Ltd		7,979.53

	R S Infra Advisors and Konsultant LLp	850.21	
		<b>10,746.79</b>	<b>-</b>
12	Interest to unit holder		
	Nitan Chhatwal	4.30	
	Smita Nitan Chhatwal	1.37	
	Shrem Investment Private Limited	214.77	
	Nitan Chhatwal (on behalf of CGT)	180.84	
	Hitesh Chhatwal	4.30	
	Shrem Infrastructure Pvt Ltd R S Infra Advisors and Konsultant LLp	1,688.22	
		179.88	
		<b>2,273.67</b>	<b>-</b>

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

Sr No	Narration	Name of Related Parties	As at March 31, 2022	As at March 31, 2021
1	Investments	<b><u>In Equity</u></b>		
		Shrem Infraventure Private Limited	133,336.80	
		Shrem Roadways Private Limited	88,793.00	
		Shrem Tollway Private Limited	132,475.70	
			<b>354,605.49</b>	
		<b><u>In NCD's - Step Down Subsidiary</u></b>		
		13% DBL Ashoknagar-Vidisha Tollways Ltd	2,570.00	
		13% DBL Bankhlfata-Dogawa Tollways Ltd	3,320.00	
		11% DBL Betul Sarni Tollways Ltd	14,210.00	
		13% DBL Hassan Periyapatna Tollways Ltd	5,104.00	
		13% DBL Hata Dargawon Tollways Limited	4,585.00	
		13% DBL Hirekerur Ranibennur Tollways Ltd	2,724.00	
		13% DBL Jaora Sailana Tollways Ltd	3,220.00	
		12% DBL Kalmath Zarap Highways Ltd	22,997.00	
		12% DBL Lucknow Sultanpur Highways Ltd	65,774.00	
		12% DBL Mahagaon Yavatmal Highways Pvt Ltd	24,030.00	
		13% DBL Mundargi Harapanahalli Tollways Ltd	1,696.50	
		13% DBL Mundi Sanawad Tollways Ltd	3,685.00	
		13% DBL Nadiad Modasa Tollways Ltd	1,930.00	

13% DBL Patan Rehli Tollways Ltd	10,609.00
13% DBL Sardarpur Badnawar Tollways Ltd	2,005.00
13% DBL Silwani Sultanganj Tollways Ltd	1,780.00
13% DBL Sitamau Suwasara Tollways Ltd	1,347.50
13% DBL Tikamgarh Nowgaon Tollways Ltd	4,232.00
12% DBL Tuljapur AUSA Highways Ltd	15,476.00
13% DBL Uchera Nagod Tollways Ltd	1,260.00
12% DBL Wardha Butibori Highways Pvt Ltd	18,068.00
12% DBL Yavatmal Wardha Highways Pvt Ltd	15,839.00
13% Jalpa Devi Tollways Limited	45,141.00
Shrem Infraventure Private Limited	
Shrem Roadways Private Limited	
Shrem Tollway Private Limited	
<b><u>In Optionally convertible debentures</u></b>	
Shrem Infraventure Private Limited	
Shrem Roadways Private Limited	
Shrem Tollway Private Limited	
	<b>271,603.00</b>

2 Trade Receivables

DBL Ashoknagar Vidisha Tollways Limited	51.48
DBL Bankhlaftata Dogawa Tollways Limited	89.06
DBL Betul Sarni Tollways Limited	402.02
DBL Hassan Periyapatna Tollways Ltd	28.41
DBL Hata Dargawon Tollways Limited	64.49
DBL Hirekerur Ranibennur Tollways Limited	76.16
DBL Jaora Sailana Tollways Limited	80.63
DBL Kalmath Zaraph Highways Limited	339.18
DBL Lucknow Sultanpur Highways Limited	1,864.66
DBL Mahagaon Yavatmal Highways Private Limited	393.32
DBL Mundargi Harapanahalli Tollways Limited	15.75
DBL Mundi Sanawad Tollways Limited	100.19
DBL Nadiad Modasa Tollways Limited	47.42
DBL Patan Rehli Tollways Limited	371.49
DBL Sardarpur Badnawar Tollways Limited	91.79
DBL Silwani Sultanganj Tollways Limited	34.58
DBL Sitamau Suwasara Tollways Limited	25.93
DBL Tikamgarh Nowgaon Tollways Limited	84.13

	DBL Tuljapur Ausa Highways Limited	469.87	
	DBL Uchera Nagod Tollways Limited	23.23	
	DBL Wardha Butibori Highways Private Limited	49.30	
	DBL Yavatmal Wardha Highways Private Limited	200.19	
	Jalpa Devi Tollways Limited	53.36	
	Suryavanshi Infrastructure Private Limited	25.33	
	Shrem Infraventure Private Limited	-	
	Shrem Roadways Private Limited	-	
	Shrem Tollway Private Limited	-	
			<b>4,981.98</b>
3	Loans and Advances		
	DBL Betul Sarni Tollways Limited	2,376.80	
	DBL Hassan Periyapatna Tollways Limited	310.00	
	DBL Ashoknagar Vidisha Tollways Limited	33.00	
	DBL Hata Dargawon Tollways Limited	375.00	
	DBL Hirekerur Ranibennur Tollways Limited	1,000.00	
	DBL Jaora Sailana Tollways Limited	375.00	
	DBL Kalmath Zaraph Highways Limited	1,667.23	
	DBL Lucknow Sultanpur Highways Limited		
	DBL Mahagaon Yavatmal Highways Private Limited		
	DBL Mundargi Harapanahalli Tollways Limited		
	DBL Mundi Sanawad Tollways Limited	733.00	
	DBL Patan Rehli Tollways Limited	2,948.70	
	DBL Sardarpur Badnawar Tollways Limited	2,166.00	
	DBL Silwani Sultanganj Tollways Limited	24.00	
	DBL Tikamgarh Nowgaon Tollways Limited	62.00	
	DBL Tuljapur Ausa Highways Limited	383.89	
	DBL Uchera Nagod Tollways Limited	20.00	
	DBL Wardha Butibori Highways Private Limited		
	DBL Yavatmal Wardha Highways Private Limited		
	Jalpa Devi Tollways Limited	3,364.30	
	DBL Bankhalafata Dogwa Tollways Limited	630.00	
	DBL Nadiad Madosa Tollways Limited	140.00	
	Shrem Infraventure Private Limited		
	Shrem Roadways Private Ltd		
	Shrem Tollway Private Limited		
	Shrem Financials Private Limited	-	
			<b>16,608.93</b>
4	Trade Payable		
	Shrem Financials Private Limited		319.50
			<b>- 319.50</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 recognized in the financial statements.

(Rs. in Lakh)

	Particulars	Carrying value	Fair Value	Carrying value	Fair Value
		31 March 2022	31 March 2022	31 March 2021	31 March 2021
	<b>Financial Asset</b>				
(a)	Carried at amortised cost				
(i)	Investment	666,313.66	678,634.24	-	-
(ii)	Trade receivable *	4,981.98	4,981.98	-	-
(iii)	Cash and cash equivalent *	15,283.83	15,283.83	0.25	0.25
(iv)	Loans	16,608.93	16,608.93	0.50	0.50
(v)	Other financial asset	656.00	656.00	-	-
	<b>Financial Liabilities</b>				
a)	Carried at amortised cost				
(i)	Borrowings	319,374.67	319,374.67	-	-
(ii)	Current maturities of long term debt	-	-	-	-
(ii)	Trade payable *	3.36	3.36	319.50	319.50
(iii)	Other financial liabilities	-	-	-	-

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 March 2022:

(Rs. in Lakh)

Sr. No.	Particulars		
		Level 1	Level 2
	Assets for which fair values are disclosed		
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>		
(i)	Investment		666,313.66
(ii)	Trade receivable		4,981.98
(iii)	Cash and cash equivalent		15,283.83
(iv)	Loans		16,608.93
(v)	Other financial asset		656.00
<b>(b)</b>	<b>Financial liability measured at amortised cost</b>		
(i)	Borrowings		319,374.67
(ii)	Trade payable		3.36

#### Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:

(Rs. in Lakh)

Sr. No.	Particulars		
		Level 1	Level 2
	Assets for which fair values are disclosed		
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>		
(i)	Cash and cash equivalent		0.25
(ii)	Loans		0.50
<b>(b)</b>	<b>Financial liability measured at amortised cost</b>		
	Trade payable		319.50

### 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 Lakh)

Particulars	31 March 2022	31 March 2021
Loans and borrowings	319,374.67	-
Trade payables	3.36	319.50
Other financial liabilities	-	-
Less: Cash and cash equivalents	15,283.83	0.25
<b>Net debt</b>	<b>304,094.20</b>	<b>319.25</b>
Unit capital	376,682.96	NA
<b>Capital and net debt</b>	<b>680,777.16</b>	<b>NA</b>
Gearing ratio	44.67%	NA

## **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 mode

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

(Rs.in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Interest	2,684.86	-
Dividend	12,690.28	
<b>Distribution to Unit Holders</b>	<b>15,375.14</b>	
Return of capital	13,787.04	-
<b>Total</b>	<b>29,162.18</b>	<b>-</b>

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

(Rs.in Lakhs)

Particulars	31 March 2022		31 March 2021	
	Amount Outstanding*	% of total <sup>^</sup>	Amount Outstanding	% of total
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	16,608.93	100.00	-	-
<b>Total</b>	<b>16,608.93</b>	<b>100.00</b>	<b>-</b>	<b>-</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 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 has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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 has not advanced 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 : Estimation of uncertainties relating to the global health pandemic from COVID-19**

The Trust has considered the possible effects that may result from the second and third wave of COVID-19 pandemic on the carrying amounts of its investments in SPVs including loans and other receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Trust, as at the date of approval of these Standalone Financial Statements has used internal and external sources of information including reports from Independent Traffic Consultants and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Trust for the year ended March 31, 2022

The Trust has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount (after considering provision for impairment loss, if any) of these assets as reflected in the balance sheet as at March 31, 2022 will be recovered. The impact of COVID-19 on the Trust's Standalone Financial Statements may differ from that estimated as at the date of approval of these Standalone Financial Statements and this will continue to be monitored in future periods.

**Note 31 : Taxes**

In accordance with section 10 (23FC) of the Income Tax Act, the income of business Fund in the form of interest received or receivable from Project SPV is exempt from tax. Accordingly, the Fund is not required to provide any current tax liability. Further, deferred tax assets on carry forward losses is not being created since there is no virtual certainty of reversal of the same in the near future.

**Note 32**

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: Ratio

Ratios	F.Y.21-22	F.Y.20-21
i) <b><u>Current Ratio</u></b>		
Current Assets/ Current Liabilities	1.72	0.00
ii) <b><u>Return on Equity Ratio</u></b>		
Net Income/ Shareholder's Equity	0.06	NA
iii) <b><u>Net profit ratio</u></b>		
Net profit/ Income	0.70	NA
iv) <b><u>Debt service coverage ratio</u></b>		
EBITDA/ Principal+Interest	1.19	NA
v) <b><u>Trade Receivables Turnover Ratio</u></b>		
Income/ Trade Receivables	6.74	NA
vi) <b><u>Net Capital Turnover Ratio</u></b>		
Income/ Avg Working Capital	1.85	NA
vii) <b><u>Return on Capital Employed</u></b>		
Operating Profit/ Capital Employed	0.03	NA

### Note 34:

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

As per our report on even date  
**For Mukund M Chitale & Co.**  
 Chartered Accountants

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

(As Investment Manager of Shrem InvIT)

FRN: 106655W

**(S.M.Chitale)**

Partner

M No. 111383

Place: Mumbai

Date: 04/05/2022

**Nitan Chhatwal**

Director

DIN: 00115575

Place: Mumbai

Date: 04/05/2022

**Nikhil Pareek**

Director

DIN : 07083015

Place: Mumbai

Date: 04/05/2022

**Piyush Oza**

Company Secretary

Place: Mumbai

Date: 04/05/2022

## **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.**

### **Connect with us**

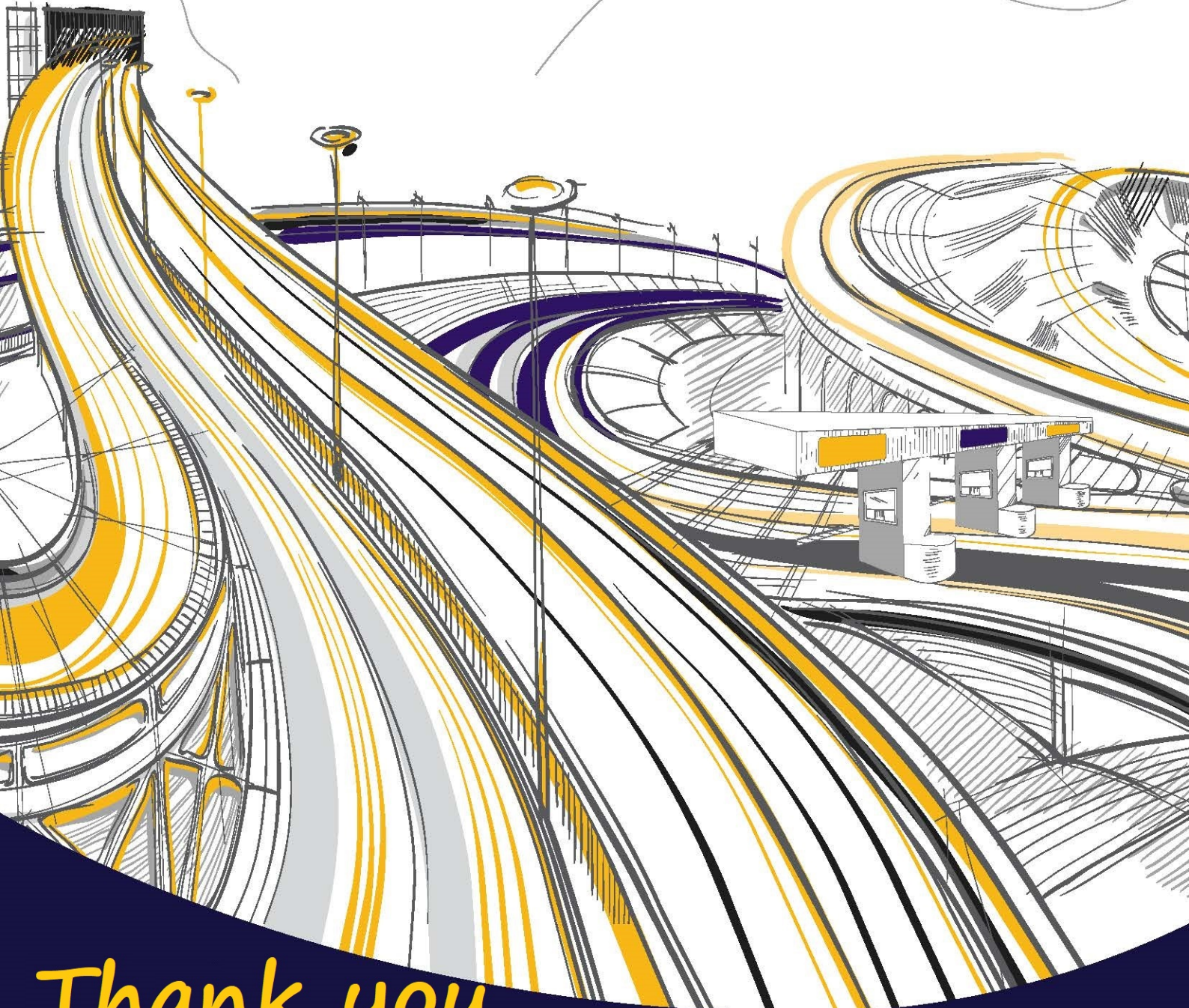
#### **Shrem InvIT**

1101, Viraj Towers  
Junction Off Andheri Kurla Rd,  
W.E. Highway Near Landmark Bldg,  
Andheri (E), Mumbai - 400069,  
Maharashtra

+91 22 4228 5500

[complianceteam@shrem.in](mailto:complianceteam@shrem.in)  
[www.shreminvit.com](http://www.shreminvit.com)

*a partner in nation  
building*



*Thank you*