

Driving
Vision,
Delivering on
Promises



Contents

Corporate Overview

01-16

- 02 Introducing IRB InvIT
- 04 Knowing us Better
- 06 Our Operating Canvas
- 08 Chairman's Message
- 10 Our Value-accretive Business Model
- 11 Strategy
- 12 Projects that Strengthen our Brand
- 14 Board of Directors of Investment Manager
- 15 Management Team of Investment Manager
- 16 Corporate Information

Statutory Reports

17-41

- 17 Report of the Investment Manager
- 34 Management Discussion and Analysis

Financial Statements

42-120

- 42 Consolidated Financial Statements
- 90 Standalone Financial Statements

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

FY 2018-19 highlights (Consolidated)

₹ **12,334** Million

Gross Income **23%** ^

₹ **9,989** Million

EBITDA **22%** ^

₹ **8,383** Million

Cash Profit **17%** ^

₹ **7,639** Million

Net Distributable

Cash Flow (NDCF) **17%** ^

~19%

Implied Yield

(Based on market price as on March 31, 2019)

^ y-o-y growth (numbers are not comparable as Pathankot Amritsar BOT Project was acquired on 28th September 2017 and the balance BOT assets were transferred from 9th May 2017)

Driving **Vision** Delivering on **Promises**

We, at IRB InvIT Fund, are committed to help accelerate the socio-economic wellbeing of our nation on the move. Our business revolves around investing in operating road assets with focus on minimising costs, maximising returns and creating enduring value for our stakeholders.

The opportunity landscape around us is expanding considerably, as India requires huge infrastructure investments to support its growth ambition. The Government of India is investing significantly in the infrastructure sector, of which roads and highways remain one of the key focus areas. The Government's current budgetary allocation for the sector is around ₹ 4.56 lakhs crore (US\$ 63.20 Billion) and is expected to increase further to energise a close to 3 trillion-dollar economy.

Being the country's first listed Infrastructure Trust, our focus is to capitalise on the emerging opportunities and grow the business. With the Government's enhanced focus on accelerated infrastructure creation and upgradation, we are dedicated to play a far more significant role in helping build India's future network of roadways in the coming years.

During the year, we stood by our projections of consistent profit distribution at ₹ 12 per unit, despite sector-specific challenges. Our endeavour is to help build value for the nation by facilitating the creation of infrastructure that drives economic growth and benefits all sections of society.

AS WE ARE
CRAFTING NEW PATHWAYS
TOWARDS PROGRESS,
WE ARE DRIVING OUR
VISION AND DELIVERING
ON OUR STAKEHOLDER
PROMISES.



IRB InvIT

IRB InvIT Fund is a registered infrastructure investment trust under the InvIT Regulations. It primarily intends to own, operate and maintain a portfolio of six toll-road assets in the Indian states of Maharashtra, Gujarat, Rajasthan, Karnataka and Tamil Nadu. These toll roads are operated and maintained pursuant to concessions, granted by the National Highways Authority of India (NHAI). Subsequently, the Trust added another road asset in the state of Punjab, making it the seventh one.

Towards this purpose, the Trust raised capital by issuing units to investors, for acquiring the toll road assets. These units were listed on stock exchanges in line with the

provisions of applicable laws. Thus, the Trust became the first ever listed Infrastructure Investment Trust in India, focusing on toll-road assets in India.

Competitive advantages



Portfolio of income generating assets

The road assets have growth potential due to expected expansion in traffic volumes, as a result of regional growth and likely increase in toll fees, following inflation adjustments.

Diversified road project portfolio and revenue base

Diversity in road assets has enriched our experience and sharpened our expertise, including our ability to evaluate, acquire, operate and maintain new projects.

Our geographic footprint and diverse project portfolio help us capitalise on emerging opportunities available in the roads and highways sector. This strategy also reduces our dependence on any specific region or project. At the same time, it also insulates us from the potential impact on the business of any economic slowdown or force majeure event in any particular region or with respect to any particular project.

Experienced sponsor, investment manager and project manager

The Sponsor is one of India's largest infrastructure development and construction companies in terms of net worth in the roads and highways sector with a large project portfolio. The Investment Manager has around 18 years of experience in operating a road BOT project and is also experienced in developing, operating and maintaining toll plazas. The Project Manager is a wholly owned subsidiary of the Sponsor, having executed a majority of all Engineering Procurement Construction (EPC) work being undertaken by the Sponsor.



Vision

To be a significant contributor in growth and development of India, by becoming the most reliable and trustworthy InvIT for investments in the Roads & Highways Infrastructure Sector, by making the best use of our rich in-house domain expertise, unmatched capabilities & experience for transforming the “Trusted” roads & highway assets as ever best returns giving assets for its stakeholders.



Mission

To add consistently new roads & highways assets to enhance the stakeholders' value and become the largest, most respected and valued Infrastructure Investment Trust in India fully committed to the Roads & Highways Infrastructure Sector.



Assets Portfolio

The Trust's project portfolio of toll road concessions comprises seven operational road assets with four of them forming a part of the golden quadrilateral and one being part of the East-West corridor. These projects span the states of Maharashtra, Gujarat, Rajasthan, Karnataka, Tamil Nadu and Punjab, with average residual concession period of ~17 years.



₹75,000 Million

Total enterprise value

₹12.25

Total distribution per unit

4,055

Lane kms under operation

Credit Rating

India Ratings - 'IND AAA/Stable'
Care Ratings – 'CARE AAA/Stable'

Knowing us Better

Parties involved and their roles



Sponsor

Our sponsor is the IRB Infrastructure Developers Ltd., one of India's largest private roads and highways infrastructure developers.

The Company at present is having a portfolio of 24 projects, including seven projects under Operations and maintenance (O&M) Contract for IRB InvIT, aggregating 12,000+ lane km, along with 20% share in India's prestigious Golden Quadrilateral project. It is the largest by any private highways infrastructure developers in India.

IRB Infrastructure Developers Ltd. is the country's first infrastructure developer company to have privilege of successfully launching and listing of India's first ever InvIT Initial Public Offering (IPO).



Investment Manager

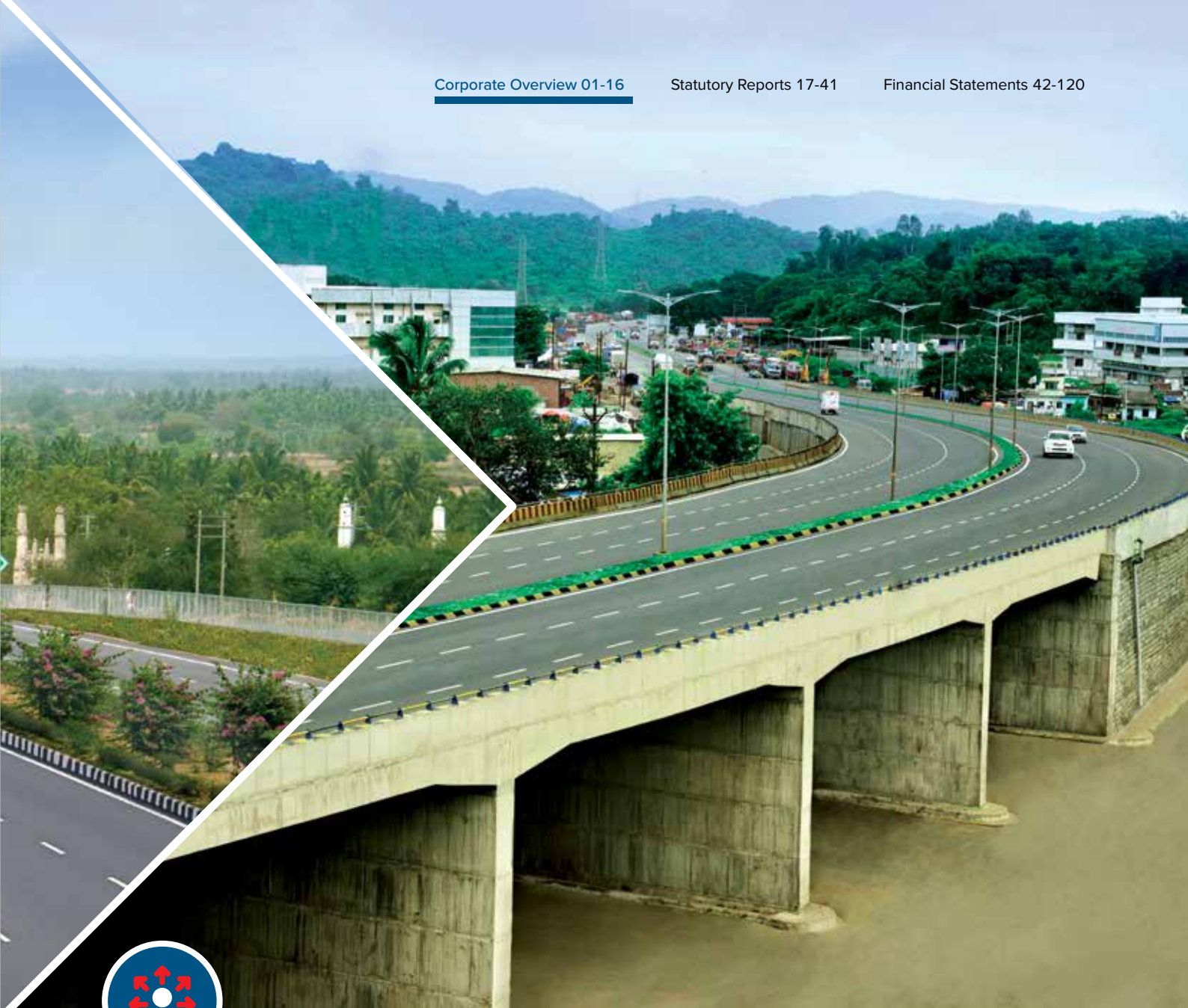
IRB Infrastructure Private Ltd., the 100% subsidiary of the Sponsor, is the Trust's designated Investment Manager, who will be responsible for making investment decisions with respect to the underlying assets or projects of the Trust. This includes any further investment or divestment of its assets, in accordance with the InvIT Regulations and the Investment Management Agreement.

The Investment Manager has experience in operating road BOT for a period of approximately 18 years and in developing, operating and maintaining toll plazas in the infrastructure sector.



Trustee

The Sponsor, in accordance with the provisions of the InvIT Regulations, has appointed IDBI Trusteeship Services Ltd. as the Trustee. The Trustee is a professionally managed Trusteeship Company, duly registered with SEBI and jointly promoted by IDBI Bank Limited, Life Insurance Corporation and General Insurance Corporation for providing corporate and other trusteeship services. The Trustee has vast experience in providing trusteeship services to a wide range of corporates and institutions from different business sectors.



Project Manager

Modern Road Makers Private Ltd., a 100% owned subsidiary of the Sponsor, is the Project Manager, as nominated by Trustees and Investment Manager, for conducting Operations and Management of the Project Special Purpose Vehicles (SPVs) in accordance with the Project Management Agreements, the relevant concession agreements and the InvIT Regulations.

The Project Manager has also been an EPC arm of Sponsor's business operations and has to its credit a multitude of EPC projects being undertaken by the Sponsor. It has also remained an Operations & Maintenance Contractor for Sponsor's roads and highway projects.

To elaborate further, the Project Manager has constructed and maintained innumerable road projects across India's multiple terrains in accordance with concession agreements.

The Project Manager has rich in-house domain expertise and experienced human resource for execution of construction work for roads, highways and other relevant structures.

The Board of Investment Manager noted assignment of rights and obligations of Project Manager under Project Implementation Agreement(s) to IRB Infrastructure Developers Ltd. (the Sponsor).

THE PROJECT
MANAGER HAS RICH
IN-HOUSE AND EXPERIENCED
DOMAIN EXPERTISE AND
HUMAN RESOURCE
FOR EXECUTION OF
CONSTRUCTION WORK

Our operating canvas

Operational highlights

Project-wise gross toll collection (₹ in Million)

Project SPVs	For the year ended 31st March 2019	For the year ended 31st March 2018*
IDAA Infrastructure Ltd. (IDAA)	2,281.87	1,950.28
IRB Surat Dahisar Tollway Ltd. (IRBSD)	6,771.69	5,734.42
IRB Talegaon Amravati Tollway Ltd. (IRBTA)	683.64	548.98
IRB Jaipur Deoli Tollway Ltd. (IRBJD)	975.63	1,053.05
IRB Tumkur Chitradurga Tollway Ltd. (IRBTC)	2,475.08	2,058.26
M.V.R Infrastructure & Tollways Ltd. (MVR)	960.07	764.12
IRB Pathankot Amritsar Toll Road Ltd. (IRBPA)	1,218.57	606.07
Total	15,366.55	12,715.18

* Toll collection numbers are not comparable as Pathankot Amritsar BOT Project was acquired on 28th September 2017 and the balance BOT assets were transferred from 9th May 2017.



Project-wise performance

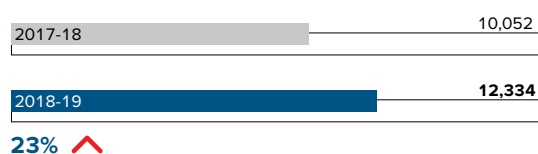
Projects	Surat Dahisar BOT Project	Tumkur Chitradurga BOT Project	Bharuch Surat BOT Project	Jaipur Deoli BOT Project
Total Income* (₹ in Million)	3,615	2,488	2,300	996
EBITDA (₹ in Million)	3,033	2,308	1,875	798
Traffic Movement (in 000)	34,599	11,913	8,665	4,270

* Total income comprises Revenue from Operations and Other Income

Financial highlights

- Distribution at ~93% of NDCF for FY 2018-19
- Bounce-back in traffic growth, with double-digit growth witnessed in Surat Dahisar, Tumkur Chitradurga, Bharuch Surat and Ommalur Salem projects

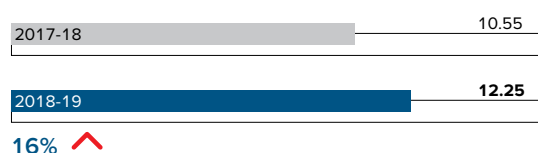
Total Consolidated Income (₹ in Million)



Net Distributable Cash Flow (NDCF) (₹ in Million)



Distribution per unit



EBITDA (₹ in Million)



y-o-y growth (numbers are not comparable as Pathankot Amritsar BOT Project was acquired on 28th September 2017 and the balance BOT assets were transferred from 9th May 2017)

Ommalur Salem Namakkal	Talegaon Amravati BOT Project	Pathankot Amritsar BOT Project	Total
755	691	1,378	12,223
570	526	915	10,025
6,915	2,591	4,709	

Chairman's Message

Dear Unitholders,

On behalf of the Board of Directors of Investment Manager, it gives me great pleasure to share performance and highlights of the IRB InvIT Fund ("the Trust") for financial year 2018-19 with you.

FY 2018-19 was our first full year of operations since listing unlike the previous one of 318 days. I take this opportunity to congratulate the team that worked very hard to fulfil the commitment that was made to the unitholders, despite unfavourable market conditions.

FOR FY 2018-19
WE WERE ABLE TO MAKE A
PAY OUT OF RS. 12.25/UNIT,
RESULTING INTO IMPLIED
YIELD OF ~19% (BASED ON
MARKET PRICE AS ON
MARCH 31, 2019)

For FY 2018-19, despite less than expected revenue growth, we were able to make a pay out of ₹12.25/unit. We had multiple subduing events including Mumbra Bypass repair (that dampened the traffic on two of our key projects for good six months) and continued mining ban in two states, impacting two of our projects for almost entire year. Going forward we expect the situation to improve significantly. We also intend to focus on reducing the O&M costs to the extent possible to enable us to maintain this level of pay out.

InvIT is an evolving business model. With an endeavour to strengthen business case for InvITs, the Trust has been engaging in meaningful discussions with the regulatory authority Securities and Exchange Board of India (SEBI). It is indeed a good news for investors that SEBI has come out with the guidelines on reduced lot size of units, detailed regulations for private InvIT and increased leverage. These are encouraging steps and hopefully would play a vital role in increasing the depth of InvIT as a product and creating an affordable buying opportunity – from investors' perspective, as well as widening investor base from Trust's perspective.

While we continue to be the first and the only publicly listed InvIT in the Road sector, a couple of privately placed trusts have been registered with SEBI. Placement of private InvITs with reputed global investors clearly vindicates the efficacy of this model for capital intensive Infrastructure segment, providing stable and low-risk returns for Unitholders over long term.

The trust continues to enjoy AAA rating by two of the credit rating agencies. This helps us to maintain the confidence of the unitholders as well as lenders in the Trust.

To conclude, I once again express my sincere gratitude to all the unitholders for putting your faith in IRB InvIT and extending your valuable support and guidance from time to time.

We assure you of better performance in coming years.

Thank you

R.P. Singh

*Chairman of the Board
Investment Manager of the Trust*