

**INDIA INFRASTRUCTURE TRUST (“TRUST”)**

**Transcript of Fifth Annual General Meeting (“AGM/Meeting”)**

<b>Day &amp; Date of Meeting</b>	Friday, July 21, 2023
<b>Duration of the Meeting</b>	5:00 p.m. to 5:21 p.m.
<b>Mode of the Meeting</b>	Video Conferencing (“VC”)
<b>Deemed Venue</b>	Seawoods Grand Central, Tower-1, 3 <sup>rd</sup> Level, C Wing - 301 to 304, Sector 40, Seawoods Railway Station, Navi Mumbai, Thane, Maharashtra - 400 706

**Attendees:**

**Representatives of following unitholders representing 77.24% of the unit capital of the Trust:**

- Rapid Holdings 2 Pte Ltd.
- Bank of Baroda
- Mr. Nishant Vipul Shah
- Mr. Jay Milan Shah

**Directors of Brookfield India Infrastructure Manager Private (Investment Manager of the Trust) (“BIIMPL”):**

- Mr. Sridhar Rengan - Non-executive Director - *Chairperson appointed at the Meeting*
- Mr. Arun Balakrishnan - Independent Director
- Mr. Jagdish Kini - Independent Director
- Mr. Prateek Shroff - Non-executive Director
- Ms. Radhika Haribhakti - Independent Director
- Ms. Rinki Ganguli - Non-executive Director

**Invitees:**

- Ms. Puja Tandon - Company Secretary and Compliance Officer of BIIMPL
- Mr. Darshan Vora - Chief Financial Officer of BIIMPL
- Ms. Pooja Aggarwal - Chief Executive Officer of BIIMPL
- Representative of Axis Trustee Services Limited (acting in its capacity as Trustee of the Trust)
- Scrutinizer appointed by BIIMPL
- Representative of Auditors of the Trust
- Representatives of Pipeline Infrastructure Limited, Special Purpose Vehicle of the Trust (“PIL”)

**Ms. Puja Tandon:** Good Evening, everyone. I, Puja Tandon, Compliance Officer, welcome all the Unitholders, Directors and Invitees to the Fifth Annual General Meeting of the Trust.

I request all the attendees to keep themselves on mute during the proceedings of the Meeting. The unitholders will have the opportunity to speak once we open for Q&A.

Please be informed that the Meeting is being conducted through VC in compliance with the SEBI circulars issued from time to time and is also being recorded.

The notice of this Meeting was served electronically to all the stakeholders and unitholders who have registered their email IDs within the prescribed timelines, and the same was also served through post to unitholders who have not registered their email IDs or have opted for physical delivery of the notice. The notice and Annual Report are also available on the Trust's website i.e. [www.indinfratrust.com](http://www.indinfratrust.com).

The documents referred to in the notice are available for inspection by the unitholders during the Meeting by writing an email to the Compliance Officer at [compliance@pipelineinfra.com](mailto:compliance@pipelineinfra.com).

Please be informed that, Brookfield India Infrastructure Manager Private Limited, Investment Manager of the Trust, has appointed Mr. Jatin Prabhakar Patil as the Scrutinizer to scrutinize the entire voting process i.e. remote e-voting and e-voting at the Meeting, in a fair and transparent manner.

The Scrutinizer is present at the Meeting and he will submit his report to the Investment Manager within the prescribed time as mentioned in the AGM Notice.

On the basis of Scrutinizer's Report, the result of the voting will be announced by the Trust on or before Tuesday, July 25, 2023, which will then be submitted to BSE Limited and will also be uploaded on the website of the Trust.

We also have representatives of M/s. Deloitte Haskins & Sells LLP ("Deloitte"), Auditors of the Trust and representative of Axis Trustee Services Limited, Trustee of the Trust, attending the Meeting. Further, designated Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee are also present at the Meeting.

The Meeting is being attended by 4 Unitholders and the Trust has received the necessary corporate authorizations from the Unitholders.

*I now propose to the Unitholders to appoint Mr. Sridhar Rengan, Chairperson of the Investment Manager, as the Chairperson for the meeting and request the unitholders to convey their vote in the chat box by writing "Yes" or "No".*

*(Basis the consent of Unitholders, Mr. Rengan was appointed as the Chairperson of the Meeting.)*

Thank you. I would request Mr. Sridhar Rengan to take the chair and commence the proceedings of the Meeting.

**Mr. Sridhar Rengan:** Thank you Puja.

Thank you and Good Evening everyone. I welcome each one of you to the Fifth Annual General Meeting of the Unitholders of India Infrastructure Trust.

I confirm that the quorum is present and call the Meeting to order. All reasonable efforts have been made by the Investment Manager, to enable the Unitholders to participate and vote on the items being considered at the Meeting.

Facility for remote e-voting was open for the Unitholders till Thursday, July 20, 2023 until 5:00 p.m. and the facility for e-voting at the Meeting is also available for Unitholders. Only those Unitholders who have not casted their votes through remote e-voting, are eligible to cast their vote at the Meeting.

Voting process will be verified and scrutinized by the Scrutinizer, who will submit his report to the Chairperson within prescribed time, as mentioned in the AGM Notice.

With the permission of the Unitholders present in the Meeting, I take the Notice of the Fifth AGM as read.

I request Mr. Akhil Mehrotra, Managing Director and CEO of Pipeline Infrastructure Limited (“PIL”) and Mr. Mahesh Iyer, Chief Financial Officer of PIL, to provide a brief update on business and financial performance of the Trust Asset and the agenda items being taken up at the Meeting. Over to you Mr. Mehrotra.

**Mr. Akhil Mehrotra:**

Thank you, Sridhar.

In terms of performance for the year 2022-23, I am happy to state that the Company has had an excellent HSSE performance. On a cumulative 2,596 safe days and 17.48 million without LTI were achieved.

We were also awarded the Sword of Honour for the Best people practices and processes by British Safety Council, one of the highest award in safety area and received 5-star grading in Occupational Health & Safety Audit.

Volumes have been higher than the last financial year i.e. approximately 23.68 MMSCMD as against 21.26 MMSCMD in FY 2021-22. We successfully completed 5 projects during the year including 3 CGD connectivity projects and few more important projects – for laying some scrubbers, better functionality of the pipeline.

In terms of ratings, CRISIL and CARE have re-affirmed AAA rating for the SPV.

We are happy to share that we are trying to digitize a lot of our work. Further, as a part of our ESG initiative, we have started using drone survey, replacing the survey by helicopters, which in turn strengthens our HSSE and ESG commitments.

In terms of performance for the quarter, the HSSE performance remains robust. More than 18-million-man hours without LTI were achieved. CRISIL continued to support AAA rating for the SPV.

Our Assets are now 12 to 13 years old and hence, we are continuing our upgradation efforts of all critical instruments especially instrumentations and electrical systems rendered obsolete. The upgradation program is anticipated to be completed by the end of the year, thereby increasing reliability of the pipeline.

The year has witnessed increased volumes of 28-29 MMSCMD which will further rise to 30 MMSCMD, due to the commencement of the new MJ field from the KG Basin.

On the Financial Performance, I will hand over to Mahesh, to take it forward.

**Mr. Mahesh Iyer:**

Thanks Akhil.

On the financial side, first, I will take you through Standalone Financials of the Trust, then move to SPV and thereafter we will see how the Trust has done at the consolidated level. Our Auditors, Deloitte have issued a clean report on the financials of the Trust and SPV and are also attending the Meeting today.

IIT Standalone EBITDA is slightly higher but overall distribution is in line with last year. Revenue is slightly lower because of lower interest income resulting from principal repayments made by the SPV. Most of the expenses are in line with last year, however, there was a fair value loss recorded at Trust level and fair value gain recorded at PIL, which not being a cash loss and gets eliminated during consolidation.

As per the SEBI InvIT Regulations, the Trust has to distribute minimum 90% of its funds to the unitholders. I am happy to say that we have been continuously distributing almost 100% to our unitholders. I will now take you through quarterly distribution that we have done till today. The Trust has made total distribution of Rs. 73.09 per unit till today (Return on capital i.e interest paid - Rs. 40.37 per unit; Return of capital i.e principal repayment - Rs. 32.72 per unit). Units were originally issued at Rs. 100 per unit.

Now let me take you through financials of SPV i.e. PIL, which is into the business of gas transmission.

PIL operates the country's only bi-directional pipeline which starts at Kakinada and ends at Bharuch. It connects with the other gas networks at multiple locations along the state. The pipeline traverses through 5 states.

PIL's total revenue is up by 6% due to higher transportation of R-series and ONGC gas. Volumes are higher due to transportation to NFCL and ramp-up of KG fields. SPV level EBITDA (in terms of absolute amount) has also increased by approx. 5% as compared to last year before accounting the loss on NCD valuation. EBITDA for FY 2022-23 is ~75.3% vs ~77.8% for FY 2021-22 even after having overrun on account of System Used Gas (SUG), due to the high prices that prevailed during the previous financial year. The expenses were higher upto Rs. 224 crores, even though we were able to sustain +75% EBITDA. Fair Value gain/loss on NCDs gets eliminated when we consolidate. Otherwise, we have a normal increase in the profit.

Volumes have been increasing. During H1 phase, we had more volumes of LNG flowing through our pipeline from a gas mix perspective and during H2 phase, when the prices of LNG increased, we had lower volumes, duly compensated by increased volumes at KG basins. Broadly, reasons have been provided as to changes in volume and reasons thereof.

Employee benefits – Most of the parameters were almost in line. Minor increases due to FNF of some of the employees that changed during the year. Finance cost was lower due to principal repayment and hence, interest cost was on the lower side. Depreciation was charged higher for the current year due to change in estimate of residual value of pipeline from 10% to Nil, based on the report of external valuer. For other expenses, the main reason was SUG.

Now let us see it at consolidated level. The Fair value gain/loss gets eliminated as is not part of the accounts. Mutual Funds performed better due to better rates from the banks over FDs and tax refunds. The other expenses are more or less in line with previous year with no major deviations. I have already taken you through the depreciation value which is due to the change in residual value of the pipeline. The total consolidated income was approx. Rs. 549 Crore in FY 2021-22 and approx. Rs. 545 Crore in FY 2022-23.

In case there are any questions, I would be happy to address them, else, would move to the agenda to be considered at the Meeting.

*(No questions were raised. Thereafter, brief details on the following ordinary agenda items were provided by Mr. Iyer)*

**Agenda Item no. 1: To consider and adopt the Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2023 together with the Report of Investment Manager and Auditors thereon**

Unitholders have been updated on the financial performance of the Trust and are requested to take note of, approve and adopt the financial information of the Trust for financial year 2022-23.

**Agenda Item no. 2: To consider and adopt the Valuation Report of the assets of the Trust for the financial year ended March 31, 2023**

Mr. S. Sundararaman (Valuer for FY 2022-23) has done the valuation and the report was circulated as a part of the Annual Report. Value of the InvIT assets as on March 31, 2023 is Rs. 12,453 Crore against Rs. 13,243 Crore in FY 2021-22. Major change is due to the discounting factor as a result of hardening of interest rates during the year.

I would request the unitholders to take note of the same and adopt the said Valuation Report.

**Agenda Item no. 3: To consider and appoint Auditors of the Trust and fix their remuneration**

We are proposing re-appointment of M/s. Deloitte Haskins & Sells LLP as Auditors of the Trust. Their performance has been satisfactory during the past year, and we are proposing their appointment for a term of 5 years. They have consented and are eligible to be appointed. I would request the unitholders to approve their appointment as auditors of the Trust and authorize the Investment Manager to finalize terms and conditions of their appointment, including remuneration.

**Agenda Item no. 4: To consider and appoint Valuer of the Trust and fix their remuneration**

We are proposing to re-appoint Mr. S. Sundararaman, who did the Valuation for FY 2022-23, for FY 2023-24. Their performance was satisfactory during the past year. They have consented and are eligible to be appointed. I would request the unitholders to approve their appointment as valuers of the Trust and authorize the Investment Manager to finalize terms and conditions of their appointment, including remuneration.

Over to you Sridhar.

**Mr. Sridhar Rengan:**

Thank you, Akhil and Mahesh for the update.

Unitholders who wish to speak or have a query on the update and the agenda items may post their question in the chat box or click on the raise hand tab available on the screen.

**Ms. Puja Tandon:** There are no questions being raised; you may proceed Sridhar.

**Mr. Sridhar Rengan:**

We are now taking up the above Ordinary Businesses as per the Notice.

We will now commence the e-voting process for voting at the Meeting and I would request Ms. Puja Tandon to brief the Unitholders on the voting process.

**Ms. Puja Tandon:** Thank you.

- Link for e-voting is being shared in the chat box. Please click on the message icon on your teams window to access the chat box. Detailed process for voting is mentioned in the Annexure I to the AGM Notice. The e-voting window will remain open for 15 minutes post conclusion of the AGM.
- E-voting shall be exercised by only those Unitholders who have not exercised their option of remote e-voting earlier.
- In case a Unitholder who has already exercised their vote through remote e-voting also votes at the meeting, his/her votes cast earlier through remote e-voting will be considered.
- You are requested to click on the link and login to your account and on the voting page, cast your vote by selecting "Assent/Dissent" on all the 4 resolutions and verify/modify the number of units for which you wish to cast your vote.
- You are requested to verify all the details before casting the vote and then Click on Submit.
- Multiple representatives attending on behalf of the Unitholder are requested to cast their vote only once.
- Please use the chat box or reach out to the designated numbers mentioned in the notice, in case you require any assistance.

*(E-voting at the Meeting commenced)*

Sridhar, the e-voting link has been posted on the chat box and the unitholder will be able to complete the e-voting till 15 minutes from the conclusion of the Meeting.

**Mr. Sridhar Rengan:** Thank you Puja.

I request all the Unitholders who are present at the Meeting and have not exercised their votes through the remote e-Voting facility to cast their votes within 15 minutes from the conclusion of this Meeting.

Please note that, on basis of the Scrutinizer's Report, results of the voting will be announced by the Trust on or before Tuesday, July 25, 2023 and will be submitted to BSE Limited and also uploaded on the website of the Trust.

I now conclude the Meeting. Thank you everyone for your presence at the Meeting and for cooperation and patience during the conduct of this Meeting.