

INDIA INFRASTRUCTURE TRUST (“TRUST”)

Transcript of Fourth Annual General Meeting

Day & Date of meeting	Thursday, July 21, 2022
Duration of the meeting	11:00 a.m. to 11:21 a.m.
Venue	Through Video Conferencing

Attendees:

Representatives of following unitholders representing 78.01% of the unit capital of the Trust:

- Rapid Holdings 2 Pte Limited
- Bank of Baroda

Directors of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Investment Manager to the Trust) (“BIIMPL”):

- Mr. Sridhar Rengan - Non-executive Director - *Chairperson appointed at the meeting*
- Mr. Chetan Desai - Independent Director

Invitees:

- Mr. Pratik Desai - Compliance Officer of the Trust
- Ms. Puja Tandon - Company Secretary 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”)

Mr. Pratik Desai: Good morning, everyone. I, Pratik Desai, Compliance Officer of India Infrastructure Trust, welcome all the unitholders, Directors and invitees to the fourth 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 video conferencing in compliance with the SEBI circulars issued from time to time and is being recorded.

The notice of this meeting was served electronically to all the unitholders and other stakeholders within the prescribed timelines and is also available on Trust’s website i.e., 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.

Please be informed that, Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) 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 Monday, July 25, 2022, which will then be submitted to BSE Limited and will also be uploaded on the website of the Trust.

Representative of M/s. Deloitte Haskins & Sells LLP, Auditors of the Trust and representative of Axis Trustee Services Limited, Trustee of the Trust are also attending the meeting.

The Meeting is being attended by 2 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".

(All unitholders present at the meeting consented to appoint Mr. Rengan as the Chairperson of the meeting.)

Thank you, we have the necessary votes for appointment of Mr. Sridhar Rengan as the Chairperson for the meeting.

Mr. Sridhar Rengan: Thank you Pratik.

Thank you and Good Morning everyone. I welcome each one of you to the Fourth 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 Wednesday, July 20, 2022 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 Fourth Annual General Meeting as read.

I request Mr. Akhil Mehrotra, Managing Director and CEO of PIL and Mr. Kunjal Thackar, 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. I will give you all a broad overview of how PIL has done in FY 2021-22. Our HSSE performance, which is very important for Hydrocarbon Business, has been very robust. On a cumulative basis, we are now around more than 15 million safe man hours without any Lost Time Injury, which is very important for us. This year, in the last quarter, PIL also got the British Safety Council 5 Star Certification, which is a testimony to the HSSE standards and practices, our employees and the Company follows.

Total volume transported for FY 2021-22 was 19.43 MMSCMD against 11.53 MMSCMD in FY 2020-21. Basically, we had lower volumes from ONGC, but it was partially offset by higher volumes from Reliance.

Our Assets are now 10 to 12 years old and hence, we are upgrading lot of our Assets. To start with, first we have upgraded our SCADA systems. These are now brand-new SCADA systems to communicate and operate our Pipeline, at our Pipeline Operating Center at Mumbai. that the same has been completed and commissioned. We continue to upgrade all our other assets so that we have higher reliability and availability of the machines, because as we go forward we expect our volumes to increase based on the new gas find in the east coast from Reliance as well as ONGC. We also keep connecting new customers, which will help us get additional volumes in future. CARE and CRISIL have rated us AAA for FY 2021-22.

For the quarter (Q1 of FY 2022-23) also, our performance has been robust. I have already explained various interventions that we are doing to ensure our up-time, our reliability and availability. To make our Pipeline future proof, we are also working a lot to ensure that our Pipeline can be re-purposed for Hydrogen in addition to methane, which we have got today. This will take few years, but, when Hydrogen becomes an important fuel in the Country, then our Pipeline will be ready for that. Hence, we are working a lot on that and a lot of research is going on in that area as we speak.

Other things I have already spoke off. On the insurance side as we could re-negotiate a little more discount on our premiums and this is very significant because the premiums are hardening across the Hydrocarbon sector and specially the pipeline sector. Reduction in premium by international insurance companies demonstrates the safe and robust practices we follow not only in HSSE but also in operations, which in-turn also demonstrates the low risk of the business which the world perceives.

On the Financial Performance, Kunjal, over to you.

Mr. Kunjal Thackar:

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.

As a highlight, there was a change in the schedule III of the Companies Act requirement and CARO that we had implemented this year.

EBITDA before is slightly lower but overall distribution is not lowered in the same proportion because we have distributed more as return of capital and we have received more principal amount from SPV.

PIL's total revenue is up by 45% mainly due to KGD6 ramp-up. KGD6 last year, from February to December, was not working. SPV level EBITDA is doubled as compared to last year before loss on NCD valuation, however, Fair Value loss/gain on NCDs gets eliminated when we consolidate.

Revenue is slightly lower because interest received from SPV is lower this year. However, total amount of Cashflow from EYI (Equated Yearly Installments) is same which, includes interest and principal. Other expenses, which is mainly Fair Value Loss on put and call option, is higher. Otherwise, most of the expenses are in line with the last year.

This is statement of Net Distributable Cash Flow. As per SEBI Regulations, the Trust has to distribute minimum 90%. But 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. 57.25 per unit till today. Units were originally issued at Rs. 100 per unit

Now let me take you through financial performance of SPV i.e. PIL. As informed earlier, revenue is higher by 45%, mainly due to KGD6 ramp-up. We will see in some more details in next slide. Volume from KGD6 last year was 1.66 MMSCMD, however, for current year it's higher at 15.86 MMSCMD. ONGC is almost same as last year and RLNG last year was compensating R series. But overall we are up as compared to last year and hence revenue is up by 45%. Reasons for variations are mainly volumes. Otherwise, all expenses are normal increase, mainly due to inflation or salary increase.

We have seen how we have performed at SPV level and InvIT Level. Now let us see it at consolidated level. So, at consolidated level, revenue is mainly PIL revenue because otherwise InvIT revenue gets eliminated. There is nothing major, except at consolidated level this year we have profit and last year there was loss and we expect this to continue.

Any questions happy to answer.

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

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, 2022 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 2021-22.

Agenda Item no. 2: To consider and adopt the Valuation Report of the assets of the Trust for the financial year ended March 31, 2022

Valuation of the Trust for FY 2021-22, as per the report issued by M/s. BDO Valuation Advisory LLP (Valuer for FY 2021-22), is Rs. 13,242 Crore, which is almost Rs. 600 Crore lower than last year because of distribution amounting to more than Rs. 1000 Crore. So, this Rs. 600 Crore reduction is much better than what we expected.

Agenda Item no. 3: To consider and appoint Auditors of the Trust for the financial year 2022-23 and fix their remuneration

We are proposing re-appointment of M/s. Deloitte Haskins & Sells LLP as Auditors of the Trust for FY 2022-23 and unitholders are requested to 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 for the financial year 2022-23 and fix their remuneration

This agenda item is regarding appointment of Valuer of the Trust. From last 4 years BDO is doing valuation of the Trust. First year it was done by an individual affiliated with BDO and after that for 3 years it was done by BDO Valuation LLP. Hence we propose to change the Valuer as per SEBI Regulations and appoint Mr. S. Sudararaman as Valuer for FY 2022-23. He is a partner with Baker Tilly DHC Business Private Limited and they have experience in almost all listed infrastructure trusts like India Grid Trust, IRB InvIT Fund, Shrem InvIT. Hence, unitholders are requested to approve appointment of Valuer of the Trust for the financial year 2022-23 and authorize the Investment Manager to finalize the terms and conditions of their appointment, including remuneration.

Over to you Sridhar.

Mr. Sridhar Rengan:

Thank you, Akhil and Kunjal 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.

I will give another 10 seconds before moving to further proceedings of the meeting.

(No questions were raised from representative of the Unitholders)

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

Agenda Item No. 1 relates to consideration and adoption of the Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2022 together with the Report of Investment Manager and Auditors thereon;

Agenda Item No. 2 relates to consideration and adoption of the Valuation Report of the asset of the Trust for the financial year ended March 31, 2022, issued by M/s. BDO Valuation Advisory LLP, Registered Valuer, who were appointed as the Valuer of the Trust;

Agenda Item No. 3 relates to appointment of M/s. Deloitte Haskins and Sells LLP as the Auditors of the Trust for the financial year 2022-23 and authorizing the Investment Manager to fix their remuneration; and

Agenda Item No. 4 relates to appointment of Mr. S. Sundararaman as Valuer of the Trust for the financial year 2022-23 and authorizing the Investment Manager to fix their remuneration.

We will now commence the e-voting process for voting at the meeting and I would request Mr. Pratik Desai to brief the Unitholders on the voting process.

Mr. Pratik Desai: Thank you.

- Link for e-voting is being shared in the chat box. Please click on the message icon on your Webex 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 or 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 Unitholders are requested to cast their vote only once.
- I request all the Unitholders to confirm if they are able to access the chat box. 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 Pratik.

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 the basis of the Scrutinizer's Report, results of the voting will be announced by the Trust on or before Monday, July 25, 2022 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.