

## Intelligent Supply Chain Infrastructure Trust

### Report for the half year ended September 30, 2023

We, Infinite India Investment Management Limited, Investment Manager of Intelligent Supply Chain Infrastructure Trust (the “**Trust/InvIT/ISCIT**”) hereby submit the report of the Trust for the half year ended September 30, 2023.

#### 1. Investment Manager’s brief report on the activities of the Trust and summary of the unaudited standalone financial statements for the half year ended September 30, 2023 of the Trust

The Trust was established by Reliance Retail Ventures Limited (“**RRVL**” / “**Sponsor**”) on August 17, 2021, as a contributory irrevocable trust under the provisions of the Indian Trust Act, 1882 pursuant to an ‘Indenture of Trust’ executed between the Sponsor and Axis Trustee Services Limited as the “**Trustee**” of the Trust.

The Trust has been established with the objective of undertaking activity as an Infrastructure Investment Trust in accordance with the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (the “**SEBI InvIT Regulations**”). The Trust did not have any operations during the six months ended September 30, 2023.

The Trust undertook an initial offer of its units and issued and allotted 30.48 crore units (“**Units**”) on October 25, 2023, for aggregate consideration of ₹ 3,048.00 crore. The Final Placement Memorandum dated October 25, 2023, (“**FPM**”) in this regard has been filed with the Securities and Exchange Board of India. The Trust also borrowed ₹ 2,122.00 crore on October 25, 2023. From the proceeds of the issuance of Units net of issuance expenses estimated at ₹ 20.00 crore and the aforementioned borrowings, the Trust has (i) acquired 100% of the equity share capital of Intelligent Supply Chain Infrastructure Management Private Limited (“**ISCIMPL**”) for a consideration of ₹ 100.00 crore; (ii) extending loans aggregating ₹ 5,050.00 crore to ISCIMPL which in turn has used the proceeds to acquire Logistics Infrastructure (as defined in the FPM) and expenses and security deposits in relation to the Warehouses (as defined in the FPM). ISCIMPL operates a network of 64 Warehouses spread across 34 cities in India including the key warehousing hubs such as Delhi NCR, Mumbai, Bengaluru, Chennai, Kolkata, Ahmedabad and Hyderabad. Aggregate area of these Warehouses is 12.77 million square feet. ISCIMPL has entered into a long-term warehouse use agreement with the Sponsor that came into effect on October 25, 2023.

Given that the Trust completed the acquisition of ISCIMPL, the only ‘SPV’ under the Trust in terms of the SEBI InvIT Regulations, only the unaudited standalone financial results of the Trust for the half year ended September 30, 2023, together with the limited review report of the auditor of the Trust on the same, as approved by the Board of Directors of the Investment Manager at its board meeting held on November 6, 2023, is attached as *Annexure I*.

The units of the Trust are listed on BSE Limited with effect from October 26, 2023.

#### 2. Brief details of all the assets of the Trust, project-wise

As of September 30, 2023, the only asset of the Trust is the initial contribution of ₹ 10,000.00 only. The Trust acquired 100% of the equity shareholding in ISCIMPL and has extended loans aggregating ₹ 5,050.00 crore to ISCIMPL on October 25, 2023.

ISCIMPL was incorporated on October 16, 2018, and has its registered office at 9<sup>th</sup> Floor, Maker Chamber IV, 222, Nariman Point, Mumbai 400021.

**3. Details of revenue during the half year ended September 30, 2023, project-wise from the underlying projects:**

The Trust did not commence operations during the six months ended September 30, 2023, as it completed the acquisition of the SPV only on October 25, 2023.

**4. Brief summary of updated valuation report by the valuer taking into account any material developments during the half year ended September 30, 2023**

Not applicable.

**5. Any information or report pertaining to specific sector or sub-sector that may be relevant for an investor to invest in units of the Trust**

There is no specific update / information pertaining to specific sector or sub-sector that may be relevant for an investor in the Units of the InvIT. For more details please see the FPM.

**6. Details of changes during the half-year ended September 30, 2023 pertaining to**

**a. Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions:**

Nil.

**b. Valuation of assets and NAV (as per the full valuation reports):**

Not Applicable

**c. Borrowings or repayment of borrowings (standalone and consolidated):**

Nil

**d. Credit rating**

The Trust received an issuer rating of CARE AAA/Stable from CARE Ratings Limited vide their letter dated August 25, 2023.

**e. Sponsors, Investment Manager, Trustee, Project Manager, Valuer, Directors of the Trustee or Investment Manager or Sponsors, etc.**

There has been no change in the Sponsor, Investment Manager or Trustee or their respective directors during the half year ended September 30, 2023.

The Investment Manager on behalf of the Trust had appointed BDO Valuation Advisory LLP, as the valuer for the FY 2023-24, basis approval of the board at its meeting held on August 17, 2023.

**f. Codes/Policies**

In line with the requirements of SEBI InvIT Regulations and in order to adhere to the good governance practices for the Trust, the Investment Manager has adopted various policies and codes in relation to the Trust at its Board meeting held on August 17, 2023.

- i. Distribution policy
- ii. Policy on appointment of Auditor and Valuer
- iii. Borrowing policy
- iv. Policy on Related Party Transactions
- v. Policy for Determining Materiality of Information for Periodic Disclosures
- vi. Nomination and Remuneration Policy
- vii. Policy for Evaluation of the Performance of the Board of Directors of the Investment Manager
- viii. Policy for Familiarization Programmes for Independent Directors of the Investment Manager
- ix. Policy on Unpublished Price Sensitive Information and Dealing in Securities by the parties to the Trust
- x. Policy to Promote Diversity on the Board of Directors of the Investment Manager
- xi. Risk Management Policy
- xii. Policy on Succession Planning
- xiii. Whistle Blower and Vigil Mechanism Policy
- xiv. Code for Prevention of Insider Trading
- xv. Policy on Code of Conduct for the IM Board and Senior Management Personnel

**g. Committees of the Board of Directors of the Investment Manager**

In Compliance with the mandatory requirements of SEBI InvIT Regulations, the Investment Manager at its Board meeting held on August 17, 2023, has constituted following Committees consisting of below members:

❖ **InvIT Committee**

1. Ms. Dipti Neelakantan – Chairperson
2. Mr. Shailesh Vaidya
3. Mr. Rajendra Hingwala

❖ **Audit Committee**

1. Mr. Rajendra Hingwala – Chairman
2. Ms. Dipti Neelakantan
3. Ms. Riddhi Bhimani

❖ **Nomination and Remuneration Committee**

1. Mr. Shailesh Vaidya – Chairman
2. Mr. Rajendra Hingwala
3. Ms. Riddhi Bhimani

❖ **Stakeholders' Relationship Committee**

1. Mr. Shailesh Vaidya – Chairman
2. Ms. Dipti Neelakantan
3. Mr. Sridhar Vaidyanadhan

❖ **Risk Management Committee**

1. Mr. Sridhar Vaidyanadhan – Chairman
2. Ms. Riddhi Bhimani
3. Ms. Janisha Shah

The terms of reference of the abovementioned Committees are mentioned on the website of the Trust viz., [www.intelsupplychaininfra.com](http://www.intelsupplychaininfra.com)

**h. Clauses in the Trust Deed, Investment Manager agreement or any other agreement entered into pertaining to the activities of the InvIT**

During the period, there is no change in Clauses of Trust Deed, Investment Management Agreement. During the period of six months ended September 30, 2023, the following agreements were entered into:

- a) Share purchase agreement dated August 17, 2023, as amended vide agreement dated September 18, 2023, in terms of which the Trust acquired 100% of the equity share capital of ISCIMPL from the Sponsor for an aggregate consideration of ₹ 100.00 crore on October 25, 2023.
- b) Shareholders and option agreement dated August 17, 2023. This was subsequently amended vide agreement dated September 18, 2023, and October 12, 2023. This agreement came into effect on October 25, 2023.
- c) Loan agreement dated August 17, 2023, in terms of which the Trust borrowed a sum of ₹ 2,122.00 crore on October 25, 2023.
- d) Trust Loan – I agreement dated August 17, 2023, which was subsequently amended vide agreement dated September 18, 2023, October 12, 2023, and October 13, 2023. In terms of this agreement, the Trust extended loans aggregating ₹ 2,928.00 crore to ISCIMPL on October 25, 2023.
- e) Trust Loan – II agreement dated August 17, 2023, which was subsequently amended vide agreement dated October 12, 2023. In terms of this agreement, the Trust extended loans aggregating ₹ 2,122.00 crore to ISCIMPL on October 25, 2023.
- f) Project implementation and management agreement dated August 17, 2023.
- g) Asset purchase and sale agreement dated August 17, 2023, in terms of which ISCIMPL acquired the Logistics Infrastructure from the Sponsor on October 25, 2023.
- h) Warehouse use agreement dated August 17, 2023, in terms of which ISCIMPL shall provide warehousing services to the Sponsor with effect from October 25, 2023.
- i) Operations & maintenance agreement dated August 17, 2023, that came into effect on October 25, 2023.
- j) Project execution agreement dated August 17, 2023, that came into effect on October 25, 2023.

**i. Any regulatory changes that has impacted or may impact cash flows of the underlying projects**

None

**j. Changes in material contracts or any new risk in performance of any contract pertaining to InvIT**

None

**k. Any legal proceedings which may have significant bearing on the activities or revenues or cash flows of the InvIT**

There are no material litigations and regulatory actions pending against the Trust as on September 30, 2023, which may have significant bearing on the activities or revenues or cash flows of the Trust.

**l. Any other material changes during the half year ended September 30, 2023**

There have been no material changes during the year under review and as on the date of this Report, except as disclosed elsewhere in the Report.

**7. Revenue of the InvIT for the last 5 years, project-wise**

The Trust was yet to commence operations as of September 30, 2023, and it acquired the SPV only on October 25, 2023. Accordingly, no revenues are available for the Trust project wise for the six months ended September 30, 2023, and for the earlier periods.



**8. Update on the development of under-construction projects, if any**

Not applicable.

**9. Details of outstanding borrowings and deferred payments of the InvIT including any credit rating(s), debt maturity profile, gearing ratios of the InvIT on a consolidated and standalone basis as at September 30, 2023**

Nil

**10. The total operating expenses of the Trust along with the detailed break-up, including all fees and charges paid to the Investment Manager and any other parties, if any, during the half year ended September 30, 2023**

Key operating expenses of the Trust during the half year ended September 30, 2023, are as follows:

Particulars	Amount (in INR million)
Trustee fees	0.32
Audit fees	0.02
<b>Total</b>	<b>0.34</b>

**11. Past performance of the InvIT with respect to unit price, distributions made and yield for the last 5 years, as applicable.**

Not applicable as the Trust completed its initial offer of the Units only on October 25, 2023.

**12. Unit price quoted on the exchange at the beginning and the end of the half year ended September 30, 2023, the highest and the lowest unit price and the average daily volume traded during the half year ended as on September 30, 2023**

Not applicable as the units of the Trust were listed only with effect from October 26, 2023.

**13. (1) Details of all related party transactions during the half year period, the value of which exceeds five percent of value of the InvIT assets**

NA

**(2) Details regarding the monies lent by the Trust to the holding company or the special purpose vehicle in which it has investment in**

Nil. However, kindly note that the Trust has extended loans aggregating ₹ 5,050.00 crore on October 25, 2023, to ISCIMPL after it completed the acquisition of 100% of the equity share capital of ISCIMPL earlier the same day.

**14. Details of issue and buyback of units during the half year ended September 30, 2023, if any**

Nil. Kindly note that the Trust completed its initial offer of Units on October 25, 2023.

**15. Brief details of material and price sensitive information**

Nil.

**16. Brief details of material litigations and regulatory actions which are pending against the Trust, sponsor(s), Investment Manager, Project Manager(s) or any of their associates and the Trustee, if any, at the end of the half year, September 30, 2023**

**Sponsor and its associates**

There are no material litigations pertaining to the Sponsor and its associates that impact the structure or activities of the Trust.

**Project Manager and its associates**

There are no material litigations pertaining to the Sponsor and its associates that impact the structure or activities of the Trust.

**Investment Manager and its associates**

There are no material litigations pertaining to the Investment Manager and its associates that impact the structure or activities of the Trust.

**17. Risk factors**

The details are attached as *Annexure II*.

**18. Information of the contact person of the Investment manager for the Trust**

**Janisha Shah**

Compliance Officer

Address: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi

Mumbai 400 025

Tel: +91 22 6630 3030

Email ID: janisha.shah@jmfl.com

**19. Any other material events during the half year ended September 30, 2023**

Nil other than what has been disclosed elsewhere in this report.

**For Intelligent Supply Chain Infrastructure Trust**

**Infinite India Investment Management Limited**

*(Acting in the capacity as Investment Manager for Intelligent Supply Chain Infrastructure Trust)*

**Janisha Shah**

**Compliance Officer**

Date: November 14, 2023

Place: Mumbai

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM  
STANDALONE FINANCIAL INFORMATION PURSUANT TO THE REGULATION 23  
OF THE SEBI (INFRASTRUCTURE INVESTMENT TRUSTS) REGULATIONS, 2014, AS  
AMENDED**

To  
The Board of Directors  
Infinite India Investment Management Limited (the "Investment Manager") in its capacity  
as an Investment Manager of Intelligent Supply Chain Infrastructure Trust

1. We have reviewed the accompanying "Statement of Unaudited Standalone Financial Information for the half year ended September 30, 2023" ("the Statement") of Intelligent Supply Chain Infrastructure Trust ("the Trust"), which comprise the unaudited statement of profit and loss, explanatory notes thereto and the additional disclosure as required by paragraph 4.6 of Chapter 4 of the SEBI Master circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023 ("the SEBI circular"), being submitted by the Investment Manager pursuant to the requirement of Regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations 2014, as amended from time to time read with the SEBI Circular ("the InvIT Regulations").
2. This Statement, which is the responsibility of the Investment Manager and approved by the Investment Manager's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as defined in Rule 2(1) (a) of Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India to the extent not inconsistent with the InvIT Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of the Investment Manager's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing issued by the ICAI and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The financial information relating to the half years ended March 31, 2023, September 30, 2022 and year ended March 31, 2023 as reported in the accompanying Statement have not been subjected to review by us. Our conclusion is not modified in respect of this matter.



5. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the said SEBI circular, or that it contains any material misstatement.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm's Registration No. 117366W/W-100018

**Varsha A. Fadte**  
Partner  
Membership No. 103999  
UDIN: 23103999BGXJJR1125

Panaji, Goa, November 6, 2023





# Intelligent Supply Chain Infrastructure Trust

Principal place of business: 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai 400 002

Website: <https://intelsupplychaininfra.com>

SEBI Registration Number: IN/invIT/22-23/0024

## STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

### I. UNAUDITED STANDALONE STATEMENT OF PROFIT & LOSS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023

Sr. No	Particulars	INR Crores			
		Half year ended		Year ended	
		September 30, 2023	March 31, 2023	September 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited
I	<b>INCOME AND GAINS</b>				
	Revenue from Operations	-	-	-	-
	Other Income	-	-	-	-
	<b>Total Income and Gains</b>	-	-	-	-
II	<b>EXPENSES AND LOSSES</b>				
	Investment Manager Fee	-	-	-	-
	Trustee Fee	0.32	-	-	-
	Project Manager Fee	-	-	-	-
	Audit Fees	0.02	-	-	-
	Interest on Loans	-	-	-	-
	Other Expenses	-	-	-	-
	<b>Total Expenses and Losses</b>	0.34	-	-	-
III	<b>Loss before Tax for the period/year (I-II)</b>	(0.34)	-	-	-
IV	<b>Tax Expense</b>	-	-	-	-
V	<b>Loss for the period/year (III-IV)</b>	(0.34)	-	-	-
VI	<b>Other Comprehensive Income</b>	-	-	-	-
VII	<b>Total Comprehensive Loss for the period/year (V+VI)</b>	(0.34)	-	-	-



## Intelligent Supply Chain Infrastructure Trust

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SEBI Registration Number: IN/InvIT/22-23/0024

### STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

II. Additional Disclosures as required by Paragraph 4.6 of Chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 :

#### A. Statement of Net Distributable Cash Flows (NDCFs) of Intelligent Supply Chain Infrastructure Trust

The Trust had completed the initial offer of its Units only on October 25, 2023. Accordingly, there were no unitholders as of September 30, 2023. Further there were no assets or SPV held by the Trust as of September 30, 2023. Therefore, there were no 'net distributable cash flows' for the period ended September 30, 2023, for the Trust.

#### B. Fees payable to Investment Manager and Project Manager

Pursuant to Investment Management Agreement, the Investment Manager is entitled to an Investment Management fee of INR 2.00 crores per annum exclusive of GST. Investment Manager is also entitled to reimbursement of any cost incurred in relation to activity pertaining to Trust such as administration of Trust, transaction expenses incurred with respect to investing, monitoring and disposing off the investment of the Trust, which has come into effect on October 25, 2023.

Pursuant to Project Management Agreement, the Project Manager is entitled to a Project Management fee of INR 2.00 crores per annum exclusive of GST, which has come into effect on October 25, 2023.

#### C. Statement of Earnings per unit#

Particulars	Half year ended		Year ended	
	September 30, 2023	March 31, 2023	September 30, 2022	March 31, 2023
Loss after tax for the period (INR in crores)	(0.34)	-	-	-
Weighted average number of units outstanding for computation of basic and diluted earnings per unit (no. in crores)	-	-	-	-
Earnings per unit in INR (Basic and Diluted)	-	-	-	-

# At each period no units were issued. Hence the disclosures in respect of Earnings per Unit have not been given

D. Contingent liabilities as at September 30, 2023 is NIL (March 31, 2023 : NIL ; September 30, 2022: NIL)

E. Commitments as at September 30, 2023 is NIL (March 31, 2023 : NIL ; September 30, 2022: NIL)

#### F. Related Party Disclosures

##### I. Related parties as per Regulation 2(1)(zv) of SEBI InvIT Regulations

"Related Parties in terms of the SEBI InvIT Regulations shall be related parties as defined in the Companies Act, 2013 or under Ind AS 24 and shall include, the parties to the InvIT namely, Reliance Retail Ventures Limited (Sponsor), Reliance Industries Limited (Sponsor Group), Reliance Gas Pipeline Limited (Sponsor Group), Reliance Ethane Pipeline Limited (Sponsor Group), Axis Trustee Services Limited ("Trustee"), Infinite India Investment Management Limited ("Investment Manager"), Jio Infrastructure Management Services Limited ("Project Manager") and their respective promoters and directors"

##### II Transactions with Related Parties during the period

The below related party disclosures have been made in compliance with the stipulations of Ind AS 24 and in compliance with the SEBI InvIT Regulations to the extent there are transactions with the related parties.

Sr No	Particulars	Relationship	Half year ended		Year ended	
			September 30, 2023	March 31, 2023	September 30, 2022	March 31, 2023
1	Axis Trustee Service Limited (Trusteeship Fees)	Trustee	0.32	-	-	-



### Intelligent Supply Chain Infrastructure Trust

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Website: <https://intelsupplychaininfra.com>

SEBI Registration Number: IN/InvIT/22-23/0024

#### STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

II. Additional Disclosures as required by Paragraph 4.6 of Chapter 4 of SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 :

#### III Outstanding balance at the period end

Sr No	Particulars	Relationship	INR Crores			
			Half year ended		Year ended	
			September 30, 2023	March 31, 2023	September 30, 2022	March 31, 2023
1	Axis Trustee Service Limited (Trusteeship Fees)	Trustee	0.32	-	-	-

#### G. Initial Disclosure by an entity identified as a Large Corporate

Particulars	Details
Name of the Company / InvIT	Intelligent Supply Chain Infrastructure Trust
CIN / SEBI Registration No.	IN/InvIT/22-23/0024
Outstanding borrowing of Company / InvIT as on September 30 as applicable (INR Crores)	Nil
Highest Credit Rating during previous Financial Year along with the name of Credit rating agency	CARE AAA / Stable rating from CARE Ratings Ltd letter dated August 25, 2023
Company/ InvIT having their specified securities or debt securities or non-convertible redeemable preference share, listed on a recognised stock exchange(s) in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Not Applicable*

\* As per SEBI circular bearing reference no. SEBI / HO/DDHS/P/CIR/2021/613 dated August 10, 2021, the Trust is not identified as a "Large Corporate" as on September 30, 2023

For and on behalf of the Board of Directors

Infinite India Investment Management Limited

(Acting as Investment Managers of Intelligent Supply Chain Infrastructure Trust)

  
Rajendra Hingwala  
Director  
DIN: 00160602

  
Dipti Neelakantan  
Director  
DIN: 00505452

  
Janisha Shah  
Compliance Officer

  
Rajkumar Agrawal  
Authorised Signatory

Place: Mumbai

Date: November 6, 2023



## RISK FACTORS

**The following risk factors are illustrative in nature and are not meant to be exhaustive.**

*References to “we”, “us” and “our” are to the Intelligent Supply Chain Infrastructure Trust (the “Trust”) and Intelligent Supply Chain Infrastructure Management Private Limited (the “Warehouse SPV”/ “ISCIT”) on a consolidated basis.*

### Risks Related to Warehouse SPV’s Business and Industry

1. Reliance Retail Ventures Limited (“RRVL” / “sponsor of the Trust”) is expected to contribute substantially towards all of the Warehouse SPV’s revenues. Accordingly, the Warehouse SPV’s results of operations and financial condition are linked to those of RRVL. As a result, any and all the factors that may adversely affect the business of RRVL would adversely and materially affect the results of operations and financial condition of the Warehouse SPV. Further, any delay in payments from RRVL would materially and adversely affect the Warehouse SPV’s cash flows and distributions to our Unitholders.
2. We are subject to risks associated with future unforeseen events, such as the outbreak of the Novel Coronavirus (“COVID-19”), or a similar outbreak, adverse weather conditions, natural disasters, civil disturbances, terrorist attacks or threats, future epidemics or pandemics or other catastrophic events.
3. Termination of leases or inability to renew and maintain leasing agreements with the landlords would materially and adversely affect our business, operations and financial position.
4. Competition in the warehousing and supply chain industry may create pricing pressures that materially and adversely affect us.
5. Failure to comply with, safety, health and environmental laws and regulations in India applicable to our business or adverse changes in such applicable laws and regulations, may materially and adversely affect our business.
6. An inability to obtain, renew, transfer or maintain the required statutory and regulatory permits and approvals or to comply with the applicable laws may have an adverse effect on our business.

It is intended to actively market the Warehouse Assets to potential customers to improve our capacity utilization, reduce dependence on RRVL and increase our revenue from operations and cash flows. As our business consists of setting up, acquiring, owning and operating warehouses and supporting infrastructure and providing access to these warehousing facilities primarily to our customers, factors adversely affecting the demand for warehouses in India in general would adversely affect our ability to attract potential customers in the market. Such factors could include:

- a decrease in consumer demand for retail services due to adverse general economic conditions or other factors;
- a deterioration in the financial condition of our customers;
- the ability and willingness of retail service providers to maintain or increase capital expenditure;
- a decrease in the overall growth rate of warehousing industry or of a particular segment of the warehousing sector; and



- adverse developments with regard to increase in stamp duty rates on lease agreements, zoning, environmental, health and other government regulations.

Our strategic plans would be based on the assumption that the demand for warehousing services in India will grow at a rapid pace. If the market does not grow or grows at a slower rate than we expect, or the behaviour of market players does not meet our current expectations, the demand for our warehousing services will be adversely affected, which would affect our ability to attract potential customers in order to increase our revenue from operations and cash flows.

7. Consolidation of organized and large warehousing and logistics service providers may result in greater efficiencies, lower costs, improved quality and service parameters as well as better access to funding sources. This may result in our competitors offering lower costs when compared to our offerings to prospective customers. This would adversely and materially impact our ability to target new customers to grow our revenue and cash flow streams and increase the distributions to our Unitholders.
8. Technological changes, evolving customer requirements and emerging industry trends may affect our business, may render current technologies obsolete and may require us to make substantial capital investments.
9. Exposure to information technology and cyber security risks and disruptions in disaster recovery systems or business continuity planning could limit our ability to operate the business effectively.
10. Warehouse SPV, the Sponsor, the Project Manager, the Investment Manager, the Trustee and their respective Associates may be involved in certain legal and other proceedings, which may not be decided in their favour. While the outcome of these proceedings may not impact or affect the Trust or its assets, there can be no guarantee on the same.
11. Failure to comply with applicable safety, health and environmental laws and regulations or adverse changes in such applicable laws and regulations may materially and adversely affect our business and our results of operations and financial condition.
12. The Warehouse Assets may need to be reconditioned or may need to undergo preventive maintenance work to ensure that they continue to remain operational. Any failure to carry out such maintenance works in a cost-effective manner or at all may adversely affect our business, operations and financial position.
13. Our inability to successfully recruit, train, integrate, retain and motivate new management team of the Warehouse SPV may adversely affect our business.
14. Work stoppages, shortage of labour and other labour problems could adversely affect our business. Further, our operations are dependent on contract labour and an inability to access adequate contract labour at reasonable costs at our project sites may adversely affect our business prospects and results of operations.

#### Risks Related to our Organization and the Structure of the Trust

15. The Trust is a recently 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.

16. Due to the nature of its structure, the Trust may be unable to dispose off its non-performing assets or under-performing assets in a timely manner, or at all.

#### Risks Related to the Trust's Relationships with the Investment Manager

17. The Trust is dependent on the Investment Manager to (i) manage and administer the Trust and the Trust Assets, (ii) make investment and divestment decisions, (iii) comply with ongoing reporting and management obligations and (iv) maintain the eligibility conditions specified under Regulation 4 of the SEBI InvIT Regulations on an ongoing basis. There can be no assurance that the Investment Manager will successfully fulfil its duties.

#### Risks Related to India

18. The Trust and in particular Warehouse SPV's business depends on economic growth in India and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have a material, adverse effect on the business and our results of operations and financial condition.
19. Our business and our results of operations and financial condition is linked to the stability of policies and the political situation in India.
20. Any downgrading of India's sovereign debt rating by a domestic or international rating agency could materially and adversely affect our ability to obtain financing and, in turn, our results of operations and financial condition.
21. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and could have an adverse effect on our business and our results of operations and financial condition.
22. India is vulnerable to natural disasters that could severely disrupt the normal operation of Warehouse SPV.
23. It may not be possible for the Unitholders to enforce foreign judgments.
24. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could materially and adversely affect our business.
25. Changing laws, rules and regulations and legal uncertainties may materially and adversely affect Warehouse SPV's business and our results of operations and financial condition.
26. Financial instability in other countries may cause increased volatility in Indian financial markets.
27. Significant differences could exist between Ind AS and other accounting principles, such as Indian GAAP and IFRS, which may affect investors' assessments of the Trust's financial condition.

#### Risks Related to Ownership of the Units

28. 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.

29. We may not be able to make distributions to the Unitholders or the level of distributions may fall.
30. There is no assurance that our Units will remain listed on the stock exchange.
31. The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.
32. Information and the other rights of the Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.
33. Any future issuance of Units or convertible securities or other equity-linked securities by us may dilute investors' holdings of Units.
34. Our rights and the rights of the Unitholders to recover claims against the Investment Manager, the Sponsor or the Trustee are limited.
35. Fluctuations in the exchange rate of the Indian Rupee with respect to other currencies will affect the foreign currency equivalent of the value of the Units and any distributions.

#### Risks Related to Tax

36. Entities operating in India are subject to a variety of Government and State Government tax regimes and surcharges and changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect Warehouse SPV's business and our results of operations and financial condition.
37. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations.
38. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units, on any dividend or interest component of any returns from the Units or on certain distributions from the Trust.