



CONFLICT OF INTEREST POLICY

1. POLICY

- 1.1. The Board of Directors of Maple Infra InvIT Investment Manager Private Limited (the “**Board**”), the investment manager to Indian Highways Concessions Trust (the “**Trust**” and such investment manager, the “**Investment Manager**”) has adopted the following policy and procedures (the “**Policy**”) with respect to Related Party Transactions (as defined below) and conflict of interest situations.
- 1.2. This Policy intends to regulate the Related Party Transactions of the Trust with its Related Parties (as defined below) and any perceived conflict of interest situations in respect of the Trust.

2. DEFINITIONS

- 2.1. “**Arm’s Length Transaction**” means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- 2.2. “**Associate**” of any person shall have the meaning ascribed to such term under the InvIT Regulations.
- 2.3. “**InvIT Regulations**” means shall mean the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and the circulars, notifications, guidelines and clarifications issued thereunder, each as amended.
- 2.4. “**Policy**” means this conflict of interest policy, as amended from time to time in accordance with the provisions hereof.
- 2.5. “**Related Parties**” shall be defined under the Companies Act, 2013 or under applicable accounting standards and shall also include (i) parties to the Trust, and (ii) promoters, directors and partners of the parties to the Trust.
- 2.6. “**Related Party Transactions**” means any transaction between the Trust and its Related Parties. Further, any transaction between the Trust and one or more infrastructure investment trusts having a common investment manager or sponsor, or a transaction where any of the Investment Manager or the Sponsor is an Associate of the investment manager or sponsor of the other infrastructure investment trust(s), shall be deemed to be related party transactions for such parties.
- 2.7. “**Specified Related Party Transactions**” means any Related Party Transaction that is required to be disclosed under applicable laws (including the InvIT Regulations).
- 2.8. “**Sponsor**” shall mean Maple Highways Pte Ltd.
- 2.9. “**Trust**” means Indian Highway Concessions Trust, the infrastructure investment trust registered under the InvIT Regulations.
- 2.10. “**Trust Documents**” means the investment manager agreement, the trust deed and any other agreement or document that may be designated as a trust document from time to time.



2.11. “**Units**” means the units of the Trust issued by the Trust in accordance with the Trust Documents.

2.12. “**Unitholders**” means the holders of the Units from time to time.

3. IDENTIFICATION RELATED PARTY TRANSACTIONS

3.1. The Board or the audit committee of the Investment Manager (as formed by the board of directors of the Investment Manager) shall identify the persons that would qualify as ‘Related Parties’ from time to time.

3.2. The Board or audit committee of the Investment Manager (as formed by the board of directors of the Investment Manager and referred to as the “**Audit Committee**”) shall also identify transactions undertaken or proposed to be undertaken by the Trust that would qualify as ‘Related Party Transactions’ on a regular basis, as deemed fit by it.

4. RELATED PARTY TRANSACTIONS

4.1. All Related Party Transactions shall be undertaken on an arms-length basis in accordance with relevant accounting standards, in the best interest of the Unitholders, consistent with the strategy and investment objectives of the Trust, and shall be in accordance with applicable law (including the InvIT Regulations) and the Trust Documents.

4.2. In case of situations or transactions entered into, or to be entered into, by the Trust including any perceived conflict of interest situations involving the Trust, the Board shall consider the terms of the transaction to satisfy itself that the transactions are conducted on an arms-length basis and in accordance with relevant accounting standards, applicable law and the Trust Documents. All resolutions in writing of the Board in relation to matters concerning related party transactions of the Trust must be approved by a majority of the Directors

4.3. An internal control system will be established so as to ensure that all future Related Party Transactions are compliant with the InvIT Regulations and applicable accounting standards. The Investment Manager shall also ensure compliance with any additional guidelines issued in this regard by Securities and Exchange Board of India and other relevant regulatory, statutory or governmental authorities from time to time. The Investment Manager will maintain a register to record all Related Party Transactions entered into by the Trust and the basis on which they are entered into.

4.4. The Investment Manager will also incorporate into its internal audit plan, if any, a review of all Related Party Transactions entered into by the Trust during each financial year. The Board shall review at least quarterly in each financial year the Related Party Transactions entered into during such quarter to ascertain that the guidelines and procedures established to monitor the Related Party Transactions have been complied with.

4.5. Subject to applicable law, all Related Party Transactions entered in the future shall be reviewed and recommended by the Audit Committee (once such Audit Committee has been constituted) and on the recommendation of the Audit Committee be approved by the Board. In addition to any other requirement that may be prescribed in terms of the InvIT Regulations or other applicable laws, all Related Party Transactions to be entered into in the future will be decided by a majority vote of the

Board and as a general rule, the Investment Manager must demonstrate to the Board that future Related Party Transactions satisfy the criteria set out in Paragraph 4.1 at the time of recommending the same for the approval of the Board.

4.6. The Audit Committee / Board may provide omnibus approval for Related Party Transactions, subject to the following:

- (i) The Audit Committee / Board shall lay down the criteria for granting the omnibus approval in line with the Policy and such approval shall be applicable in respect of repetitive transactions;
- (ii) The Audit Committee / Board of the Investment Manager shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Trust;
- (iii) The omnibus approval shall provide details of (i) the name/s of the Related Party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee / Board may deem fit.
- (iv) The Audit Committee / Board shall review, at least on a quarterly basis, the details of related party transactions entered into by the company pursuant to each of the omnibus approval given;
- (v) Such omnibus approval shall be valid for 1 year and shall require a fresh approval after expiry of such financial year;
- (vi) Transaction of following nature will not be subject to the omnibus approval of the Audit Committee / Board:
 - (a) Related Party Transactions which are not at arm's length;
 - (b) Transactions which are not repetitive in nature;
 - (c) Transactions in respect of selling or disposing of the undertakings of the Trust;
 - (d) Financial Transactions exceeding 5% of total consolidated borrowings of the Trust such as loan to Related Parties, inter-corporate deposits, subscriptions to bond, debenture or preference shares issued by the Related Parties, corporate guarantee given/received from Related Parties;
 - (e) Any other transaction the Audit Committee / Board may deem not fit for omnibus approval.

4.7. While assessing a proposal put up before the Audit Committee / Board for approval, the Audit Committee / Board (as the case may be) may review the following documents / seek *inter alia* the following information:

- (i) Nature of the transaction – including description of functions to be performed, risks to be assumed and assets to be employed under the proposed transaction;
- (ii) Key terms (such as price and other commercial compensation contemplated under the arrangement) of the proposed transaction, including value and quantum;
- (iii) Key covenants (non-commercial) as per the draft of the proposed agreement/ contract to be entered into for such transaction;
- (iv) Special terms covered / to be covered in separate letters or undertakings or any other special or sub arrangement forming part of a composite transaction;
- (v) Benchmarking information that may have a bearing on the arm's length basis analysis, such as:



- (a) market analysis, research report, industry trends, business strategies, financial forecasts, etc.;
- (b) third party comparables, valuation reports, price publications including stock exchange and commodity market quotations;
- (c) management assessment of pricing terms and business justification for the proposed transaction;
- (d) comparative analysis, if any, of other such transaction entered into by the Trust.

- 4.8. While considering a Related Party Transaction, any director on the Board who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion, review and voting on the Related Party Transaction.
- 4.9. Unitholder approval: All Related Party Transactions which require the approval of the Unitholders under the InvIT Regulations shall be undertaken only once the Unitholders approve such Related Party Transaction, as required under the InvIT Regulations. Meetings of the Unitholders shall be convened in accordance with Regulation 22 of the InvIT Regulations, and records pertaining to such meetings shall be maintained in the manner prescribed.
- 4.10. Subject to the provisions of applicable law, any Unitholder and its associates, being a Related Party in a transaction, shall not be entitled to vote on such a Related Party Transaction and shall not have any right to be involved in the decision making on such a Related Party Transaction.
- 4.11. The Investment Manager shall submit to the Trustee, reports on the activities of Trust, including the status of compliance with the requirements specified under applicable laws in relation to Related Party Transactions, within such time as may be prescribed under the InvIT Regulations.
- 4.12. In accordance with the InvIT Regulations, Specified Related Party Transactions shall be disclosed to Unitholders and the stock exchange (in case applicable) at regular intervals, as may be prescribed under applicable laws (including the InvIT Regulations). The details of any fees or commissions received or to be received by such Related Party(ies) shall also be adequately disclosed to the Unitholders.
- 4.13. In accordance with the InvIT Regulations, the annual report to be submitted by the Investment Manager to all Unitholders, Stock Exchange (if applicable) shall be submitted (a) within such time period as may be prescribed under the InvIT Regulations, and (b) shall contain, *inter alia*, details of all Related Party Transactions as required to be disclosed under the InvIT Regulations.
- 4.14. To the extent the requirements of applicable laws (including the InvIT Regulations) are more stringent than the provisions of this Policy, the terms of applicable laws shall prevail.

5. RESPONSIBILITY FOR COMPLIANCE

The chief financial officer or the VP-Finance (until such time the chief financial officer is appointed) of the Investment Manager shall have overall responsibility for implementing this Policy, and shall take internal/external approvals wherever necessary.



6. REVIEW AND AMENDMENT

- 6.1. This Policy shall be reviewed annually or as may be required to ensure that it meets the objectives of the applicable laws and remains effective.
- 6.2. In case of any change in applicable laws governing this Policy, not being consistent with the terms laid down under this Policy, then such change shall prevail and this Policy shall stand accordingly amended from the effective date of such change in applicable law, including any amendment to the InvIT Regulations, without any action from the Investment Manager or approval of the Unitholders.
- 6.3. Any amendment to this Policy shall be undertaken with the prior written approval of the Unitholders by way 50% majority in terms of value or in compliance with applicable law.