



AUDITOR AND VALUER APPOINTMENT POLICY

1. POLICY

- 1.1. This Policy sets out the framework for the appointment, removal, and the standards to be followed by the Auditor and the Valuer of Indian Highway Concessions Trust.
- 1.2. Accordingly, Maple Infra InvIT Investment Manager Private Limited (the “**Investment Manager**”), appointed in accordance with the amended and restated investment management agreement dated October 4, 2021 has formulated this Policy and shall have overall responsibility for the Trust, and shall take internal/external approvals wherever necessary.

2. DEFINITIONS

- 2.1. “**Accounts**” shall mean financial statements of the Trust prepared on a standalone and consolidated basis.
- 2.2. “**Auditor**” means the auditor appointed for the Trust in accordance with this Policy.
- 2.3. “**Big 6 Firms**” means any of the Indian affiliates or associates as the case may be, of Deloitte Touche Tohmatsu, KPMG, Price Waterhouse Coopers, EY (formerly Ernst & Young), Grant Thornton and Binder Dijker Otte (BDO).
- 2.4. “**InvIT Regulations**” means the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and the circulars, notifications, guidelines and clarifications issued thereunder, each as amended.
- 2.5. “**Policy**” means this Auditor and Valuer Appointment Policy, as amended from time to time in accordance with the provisions hereof.
- 2.6. “**Projects**” means each of the special purpose vehicles or the project companies owned by the Trust from time to time.
- 2.7. “**Trust**” means Indian Highway Concessions Trust, the infrastructure investment trust registered under the InvIT Regulations.
- 2.8. “**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.
- 2.9. “**Units**” means the units of the Trust issued by the Trust in accordance with the Trust Documents.
- 2.10. “**Unitholders**” means the holders of the Units from time to time.
- 2.11. “**Valuer**” means the valuer appointed for the Trust in accordance with this Policy.



3. APPOINTMENT OF AUDITOR

- 3.1. The Investment Manager in consultation with the trustee of the Trust (the “Trustee”) shall appoint the Auditor(s) on behalf of the Trust in a timely manner and in accordance with the InvIT Regulations, applicable laws and the Trust Documents.
- 3.2. In this regard, the Investment Manager shall enter into any document or agreement with the Auditor, as may be required from time to time.
- 3.3. For the appointment of the Auditor, the Investment Manager shall:
 - (i) Appoint any one of the Big 6 Firms as the Auditor and determine the fees of the Auditor, in accordance with the InvIT Regulations. Further, the Investment Manager shall ensure that the appointment of the Auditor and the fees payable to the Auditor is approved by the unitholders of the Trust in accordance with the InvIT Regulations.
 - (ii) Ensure that the Auditor shall be one who has subjected itself to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and who holds a valid certificate issued by the peer review board of ICAI.
 - (iii) Appoint an Auditor from one of the Big 6 Firms for a period of not more than 5 (five) consecutive years provided that an Auditor who is not an individual may be reappointed for a period of another 5 (five) years, subject to approval of the Unitholders in the annual meeting in accordance with the InvIT Regulations.
- 3.4. In respect of the Projects, the auditors of the Projects shall be appointed by the Board of the Projects in consultation with the Investment Manager from the list of auditors empanelled with NHAI, from time to time, in accordance with applicable laws.
- 3.5. Any change in the auditor of the Trust or Projects, including any removal or replacement of such auditor, shall require the approval of the Unitholders, in accordance with the Investment Management Agreement and the InvIT Regulations. The Investment Manager, in consultation with the Trustee, shall have the right to take all necessary steps to remove the Auditor who ceases to comply with the eligibility criteria prescribed under the InvIT Regulations and applicable law. Further, the Investment Manager shall ensure that if the removal of the Auditor and appointment of another auditor to the Trust is taken up at a meeting of the Unitholders at the request of the Unitholders, such removal of the Auditor shall be approved by the Unitholders in accordance with the InvIT Regulations.
- 3.6. The Auditor may be removed or replaced in accordance with the applicable law (including the InvIT Regulations) and Trust Documents.
- 3.7. In terms of the policy, the auditor shall comply with the conditions prescribed under the InvIT Regulations, including the following conditions at all times:
 - (i). the accounts of the Trust shall be subjected to audit by the Auditors and shall be accompanied by a report of the Auditors in such manner and at such intervals as may be prescribed under the InvIT Regulations and applicable law;
 - (ii). the auditor shall, to the best of his information and knowledge, ensure that the accounts and



financial statements give a true and fair view of the state of the affairs of the Trust, including profit or loss and cash flow for the period and such other matters as may be specified by SEBI;

(iii). the auditor shall have a right of access at all times to the books of accounts and vouchers pertaining to activities of the Trust; and

(iv). the auditor shall have a right to require such information and explanation pertaining to activities of the Trust as he may consider necessary for the performance of his duties as auditor from the employees of the Trust or parties to the Trust or the Projects or any other person in possession of such information

4. AUDIT PROCESS

- 4.1. The audit of the Accounts of the Trust by the Auditors shall be undertaken in accordance with applicable laws and the Trust Documents and its report is submitted to the stock exchange/trustee/unitholders, as applicable, within the time stipulated by applicable laws (including the InvIT Regulations) or the stock exchange, if any.
- 4.2. The activities of the Auditor should be in accordance with the InvIT Regulations.
- 4.3. The Auditor shall conduct audit of the Accounts of the Trust and draft the audit report based on the Accounts examined by it after taking into account applicable accounting and auditing standards as may be specified by Securities and Exchange Board of India and/or the ICAI, from time to time, in this regard.

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. APPOINTMENT OF VALUER

- 6.1. The Investment Manager, in consultation with Trustee, shall appoint the valuer of the Trust (“**Valuer**”), in a timely manner and shall determine the remuneration of such Valuer, in accordance with the InvIT Regulations. A ‘Valuer’ shall have the meaning prescribed under the InvIT Regulations.
- 6.2. The remuneration of the Valuer shall not be linked to or based on the value of the assets being valued.
- 6.3. The Valuer shall not be an associate of the Sponsor or the Investment Manager or the Trustee.
- 6.4. The Valuer shall have not less than five years of experience in valuation of infrastructure assets.
- 6.5. A Valuer shall not undertake valuation of the same project for more than four years consecutively, provided that the Valuer may be reappointed after a period of not less than two years from the date it ceases to be the Valuer of the Trust.
- 6.6. The Valuer shall not undertake valuation of any assets in which it has either been involved with the acquisition or disposal within the last twelve months other than such cases where the Valuer was engaged by the Trust for such acquisition or disposal.
- 6.7. The Valuer shall comply with the following conditions at all times:

- (a). the Valuer shall ensure that the valuation of the Trust assets is impartial, true and fair and is in accordance with Regulation 21 of the InvIT Regulations;
- (b). the Valuer shall ensure adequate and robust internal controls to ensure the integrity of its valuation reports;
- (c). the Valuer shall ensure that it has sufficient key personnel with adequate experience and qualification to perform valuations;
- (d). the Valuer shall ensure that it has sufficient financial resources to enable it to conduct its business effectively and meet its liabilities;
- (e). the Valuer and any of its employees involved in valuing of the assets of the Trust, shall not:
 - invest in units of the Trust or in the assets being valued; and
 - sell the assets or units of the Trust held prior to being appointed as the Valuer, until the time such person is designated as Valuer of the Trust and not less than six months after ceasing to be Valuer of the Trust;
- (f). the Valuer shall conduct valuation of the Trust assets with transparency and fairness and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment;
- (g). the Valuer shall act with independence, objectivity and impartiality in performing the valuation;
- (h). the Valuer shall discharge its duties towards the Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete given assignment;
- (i). the Valuer shall not accept remuneration, in any form, for performing a valuation of the Trust assets from any person other than the Trust or its authorized representative;
- (j). the Valuer shall before accepting any assignment, from any related party of the Trust, disclose to the Trust, by disclosing to the Investment Manager or the Trustee, any direct or indirect consideration which the Valuer may have in respect of such assignment;
- (k). the Valuer shall disclose to the Trust, through the Investment Manager, any pending business transactions, contracts under negotiation and other arrangements with the Investment Manager or any other party whom the Trust is contracting with and any other factors that may interfere with the Valuer's ability to give an independent and professional valuation of the assets, and other necessary disclosures required under the InvIT Regulations;
- (l). the Valuer shall not make false, misleading or exaggerated claims in order to secure assignments;
- (m). the Valuer shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information;
- (n). the Valuer shall not accept an assignment which interferes with its ability to do fair valuation; and
- (o). the Valuer shall, prior to performing a valuation, acquaint itself with all laws or regulations relevant to such valuation.

The Investment Manager in consultation with the Trustee shall have the right to take all necessary steps to remove the Valuer who ceases to comply with the eligibility criteria prescribed under the InvIT Regulations and applicable law.

7. REVIEW AND AMENDMENT

- 7.1. 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.
- 7.2. 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.
- 7.3. 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.