



FUTURE ASSETS ACQUISITION POLICY

1. POLICY

- 1.1. This Policy shall be applicable in respect of acquisition of Future Projects, and any funding to proposed to be availed by the Trust on a consolidated basis to finance such acquisition.

2. DEFINITIONS

- 2.1. “**Competitor**” shall mean any company or investment fund which (i) is engaged in the construction, operations or management of roads in India; or (ii) directly or indirectly owns more than 10% (ten percent) interest in any person that is engaged in the construction, operations or management of roads in India.
- 2.2. “**Control**” (including, with its correlative meanings, the terms “**Controlled by**” or “**under common control with**”), as used with respect to any party, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person whether through the ownership of voting securities, by agreement or otherwise.
- 2.3. “**Distributable Income**” shall have the meaning given to such term under the ‘Distribution Policy’ of the Trust.
- 2.4. “**Eligible Infrastructure Project**” means infrastructure projects which the Trust is permitted to acquire in accordance with the InvIT Regulations.
- 2.5. “**Holding Company**” shall have the meaning given to such term under the InvIT Regulations.
- 2.6. “**IM**” or “**Investment Manager**” means Maple Infra InvIT Investment Manager Private Limited.
- 2.7. “**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.
- 2.8. “**Policy**” means this future assets acquisition policy, as amended from time to time in accordance with the provisions hereof.
- 2.9. “**SPV**” means a body corporate in which the Trust, directly or indirectly, holds Control in.
- 2.10. “**Trust**” means Indian Highway Concessions Trust, the infrastructure investment trust registered under the InvIT Regulations.
- 2.11. “**Trust Assets**” means the assets owned by the Trust, whether directly or through an SPV or a Holding Company, and shall include all rights, interests and benefits arising from and incidental to ownership of such assets.
- 2.12. “**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.
- 2.13. “**Units**” means the units of the Trust issued by the Trust in accordance with the Trust Documents.



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

3. FUTURE PROJECTS ACQUISITION

3.1. The Investment Manager shall identify potential new Eligible Infrastructure Projects (“**Future Projects**”) jointly with the Sponsor other than in respect of such transactions where the Sponsor is the seller of such Eligible Infrastructure Asset, for investment by the Trust in accordance with the InvIT Regulations. If the Eligible Infrastructure Projects do not meet the criteria laid down in Annexure 1 of this Policy, approval of the Unitholders in accordance with Applicable Law or the Investment Management Agreement.

3.2. Process for acquisition by the Trust

It shall be the endeavour of the Investment Manager that it shall follow the process below for the acquisition of the assets by the Trust:

- (i) Appointment of agents: To evaluate the Future Projects, the IM in consultation with the Sponsor other than in respect of such transactions where the Sponsor is the seller of such Eligible Infrastructure Asset may appoint agents including investment banker, legal counsel, and diligence consultants and any other consultants, to help the IM evaluate the Future Project
- (ii) Non-Binding offer by the IM: The board of the directors of the IM, jointly with the Sponsor other than in respect of such transactions where the Sponsor is the seller of such Eligible Infrastructure Asset, may give a non-binding offer (“**NBO**”) to the seller(s) to acquire a Future Project. In case such an NBO is accepted by the seller(s), IM may commission additional due diligence studies including:
 - (a) An independent traffic study (for a toll project) from a reputed consultant to forecast through the concession end the traffic and revenue of the project
 - (b) An independent technical study from a reputed consultant to forecast through the concession end the operation and maintenance costs (both routine and periodic) and cost to be incurred for any balance/pending construction work or one-time repair work in the project.
 - (c) Legal diligence to ascertain all potential liabilities relating to ongoing or proposed claims, counter-claims, litigations or any related issue that could impact cash flows of the project.
 - (d) Environment and social diligence, in case deemed necessary by the board of directors of the IM.
 - (e) Finance and Tax diligence to ascertain the potential liabilities that could impact cash flows of the project
 - (f) Any other diligence as the IM may deem fit.



- (iii) Binding offer by the Trust: Any binding offer made by the IM on behalf of the Trust to the seller(s) for acquiring a Future Project, shall be made by the IM Board, post receiving approval of the Unitholders (i) as per the Investment Management Agreement, if the parameters provided in Annexure 1 are not met or; (ii) as may be required under the InvIT Regulations.
 - (iv) Notice to Unitholders for acquisition: For approval of the Unitholders for acquisition of a Future Project a notice shall be delivered to the Unitholders, at least 21 days ahead of the meeting in which a Unitholder vote is proposed to be conducted to decide on the acquisition of such Future Project.
- 3.3. Funding for acquisition of Future Project: The Trust shall acquire equity shares and debt of such Future Projects through (i) issuance of units; (ii) raising additional debt; or (iii) through internal accruals or a combination thereof, in accordance with Applicable Law and the policies adopted by the Investment Manager on behalf of the Trust.

4. 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.

5. REVIEW AND AMENDMENT

- 5.1. The Policy shall be reviewed annually or as may be required to ensure that it meets the objectives of the applicable laws and remains effective.
- 5.2. 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.
- 5.3. Any amendment to this Policy shall be undertaken with the prior written approval of the Unitholders by way of a 50% majority in terms of value or in compliance with applicable law.



Annexure 1

The Future Project shall necessarily have:

- i) The Eligible Asset is a road concession granted by a relevant Indian authority
- ii) Trust is able to acquire 100% of the issued equity share capital (on a fully diluted basis) of the entity holding the Eligible Asset, excluding the stake, if any, required to be held mandatorily by any other person in accordance with any applicable law or directions of the GoI or any regulatory/ statutory or governmental authority;
- iii) Such asset is an eligible infrastructure project as defined under the InvIT Regulations ;
- iv) Equity IRR that is in line with the market based on the risk profile of the asset. Such assessment shall be based on an independent traffic study and technical study commissioned by the IM.]
- v) Minimum enterprise valuation of INR 200,00,00,000 (Rupees two hundred crores only) at the portfolio level or asset level whichever is applicable.
- vi) Remaining concession life of not be less than 4 (four) years as on the estimated date of investment by the Trust at the portfolio level or asset level, whichever is applicable.

Provided that, any decisions including investment or disinvestment by Trust shall be based on the recommendation of the Investment Manager, InvIT Documents and applicable law.