



LEVERAGE POLICY

1. POLICY

- 1.1. The amended and restated indenture of trust dated October 4, 2021 (the “**Deed**”) in relation to the Indian Highways Concessions Trust (the “**Trust**”), empowers the Axis Trustee Services Limited (the “**Trustee**”), on behalf of the Trust, and in consultation with Maple Infra InvIT Investment Manager Private Limited (the “**Investment Manager**”) to borrow monies subject to the terms of the Deed, the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 (the “**InvIT Regulations**”) and applicable law and offer such security as it may deem fit, for the purpose of making such borrowing.
- 1.2. Additionally, pursuant to the amended and restated investment management agreement dated October 4, 2021, the Trustee has empowered the Investment Manager, amongst others, to borrow monies, subject to applicable law and the relevant Trust Documents for the purposes of the Trust.
- 1.3. Accordingly, this Leverage Policy (the “**Policy**”) has been formulated to outline the process for borrowing monies in relation to the Trust, to ensure that all funds borrowed in relation to the Trust are in compliance with the InvIT Regulations and the Deed. This policy sets out the framework for selection and repayment of borrowings by the Trust.

2. DEFINITIONS

- 2.1. “**Control**” (including, with its correlative meanings, the terms “**Controlled by**” or “**under common control with**”), as used with respect to any party, shall mean: (a) 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.
- 2.2. “**Holding Company**” shall have the meaning given to such term under the InvIT Regulations.
- 2.3. “**Investment Manager**” or “**IM**” means Maple Infra InvIT Investment Manager Private Limited.
- 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 leverage policy, as amended from time to time in accordance with the provisions hereof.
- 2.6. “**Related Parties**” shall have the meaning given to such term under the InvIT Regulations.
- 2.7. “**SPV**” means a body corporate in which the Trust, directly or indirectly, holds Control in.
- 2.8. “**Trust**” means Indian Highway Concessions Trust, the infrastructure investment trust registered under the InvIT Regulations.



- 2.9. “**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.
- 2.10. “**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. Leverage:

- 3.1. In accordance with applicable law and the Trust Documents, and the conditions mentioned in Clause 3.2 below, the Investment Manager shall be entitled to borrow funds for the Trust through any permitted means, by any instrument, in Indian or foreign currency, as permitted by applicable law.
- 3.2. Further, debt may be availed (along with provision of security for such debt) by the Trust or the Trust Assets, subject to the following conditions:
- a) the aggregate consolidated borrowings and deferred payments, net of cash and cash equivalents of the Trust, the and the SPVs shall, at all times, be in accordance with applicable law, and shall not exceed the limit as prescribed under applicable law (if any). However, the IM shall ensure, until the Trust is listed, the aggregate consolidated borrowings and deferred payments of Trust, Holding Company(ies) and SPVs, net of cash and cash equivalents shall not exceed 75% of the value of the Trust Assets, or such other percentage as may be prescribed under the InvIT Regulations and applicable law from time to time;
 - b) the debt is availed at commercially reasonable terms as may be determined by the board of directors of the Investment Manager (“**Board**”).
 - c) The IM shall cause the Trust, the Holding Company(ies) and the SPVs to borrow or incur financial indebtedness for the purpose of its business operations subject to requisite approval of the Board or such committee of the Board as may be constituted in this regard, board of directors or committees of the Holding Company(ies) and the SPVs (in respect of financial indebtedness of the Holding Company(ies) and the SPVs) and the Unitholders, where required, in accordance with the InvIT Regulations and the Deed;
 - d) All actions as required under the InvIT Regulations (if any) shall be complied with for such borrowing.
- 3.3. Refinancing of debt
- a) At least once every 3 years, the chief financial officer or the VP-Finance (until such time the chief financial officer is appointed) of the Investment Manager shall explore the possibility of, and present a report to the Board, on refinancing whole or a part of the existing debt of the Trust and/or the Trust Assets.
 - b) If the Board (either by itself or through a committee designated for such purpose) determines that the expected gains till the end of loan tenure from refinancing exceed the costs of such refinancing and thereby approves the debt refinancing proposal (including with modifications), then such

refinancing proposal shall be implemented, subject to approvals and requirements as prescribed under the InvIT Regulations.

- c) For undertaking such refinancing, the CFO or the CEO (as the case may be) shall take all actions necessary to obtain relevant approvals from any governmental agency or existing lenders within the desired timelines.
- d) If the Board (either by itself or through a committee designated for such purpose) determines that the expected gains till the end of loan tenure from refinancing is less than the costs of such refinancing and thereby disapproves the debt refinancing proposal (including with modifications) then such refinancing proposal shall not be implemented.

3.4. Other Conditions:

- a) The Trust also has the power to create, mortgage, pledge or secure any of its Assets including shares / interest in Holding Company(ies) or SPVs or provide guarantees or other collateral in order to borrow funds, subject to the terms of the Deed.
- b) In case a foreign currency loan is availed, appropriate hedging mechanism would be undertaken, by the relevant borrower, in accordance with applicable law.
- c) In addition to the above, any borrowing by the Asset SPVs will be in accordance with the conditions prescribed under applicable law.

4. RESPONSIBILITY FOR COMPLIANCE

- a) 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.
- b) The IM shall ensure that all funds borrowed by Trust/ Asset SPVs are in compliance with the InvIT Regulations.

5. DISCLOSURE AND REPORTING

- a) Any additional borrowing at the level of SPVs or the Trust, exceeding any threshold that may be prescribed by the Securities and Exchange Board of India in relation to disclosure of additional borrowing, shall be disclosed to the Unitholders in accordance with the InvIT Regulations.
- b) Details of changes during the year pertaining to borrowings or repayment of borrowings (standalone and consolidated) shall be disclosed as per the requirements prescribed under the InvIT Regulations.
- c) Details of outstanding borrowings and deferred payments of InvIT including any credit rating(s), debt maturity profile, gearing ratios of the Trust on a consolidated and standalone basis shall be disclosed as per the requirements prescribed under the InvIT Regulations.



6. REVIEW AND AMENDMENT

- 6.1. 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.
- 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 of a 50% majority in terms of value or in compliance with law.