

June 06, 2025

To,

<b>National Stock Exchange of India Limited</b> Listing Compliance Department Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 <b>Symbol: HIGHWAYS</b>	<b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 <b>Scrip Code: 974227, 974228, 975333 (“Non-Convertible          Debentures”), 728473 (“Commercial Paper”)</b>
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**Subject: Notice of Postal Ballot of Highways Infrastructure Trust**

Dear Sir/Madam,

Pursuant to the provisions of Regulation 22(2) of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and the notifications, circulars and guidelines issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (the “**SEBI InvIT Regulations**”) read with Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 issued by the Securities and Exchange Board of India (the “**SEBI Master Circular**”) and pursuant to other applicable laws and regulations, if any, as may be applicable in this regard, Highway Concessions One Private Limited (the “**Investment Manager**”), acting as the Investment Manager of Highways Infrastructure Trust (the “**Highways Trust**” or **Trust**”) seeks approval of the Unitholders of the Trust on the resolution(s) as given below and as set out in the Postal Ballot Notice, through postal ballot including remote electronic voting.

Sr. No.	Description of Resolution	Type of Resolution
1.	To consider, approve and adopt the amended distribution policy of Highways Infrastructure Trust	Simple Majority (i.e. where votes cast in favour of the resolution shall be more than fifty per cent of the total votes cast for the resolution)
2.	To consider and approve the amendment and/or restatement in the Investment Management Agreement and Project Management Agreement	Super Majority (i.e. where the votes cast in favour of the resolution shall be at least sixty per cent of total votes cast for the resolution)

In that regard, we would like to inform you that on Friday, June 06, 2025, the Investment Manager on behalf of the Trust has dispatched the Postal Ballot Notice electronically to the Unitholders of the Trust whose names appear in the records of Depositories as on the cut-off date i.e., Friday, May 30, 2025. The Investment Manager has also engaged the services of MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*) (“**MUFG**”), Registrar and Share Transfer Agent, as an agency to provide remote e-voting facility to Unitholders. The procedure for remote e-voting is detailed in the Notes to the Postal Ballot Notice.

The voting period including physical receipt of filled in postal ballot form and remote e-voting shall commence from 09:00 hours (IST) on Saturday, June 07, 2025, and ends at 17:00 hours (IST) on Saturday, June 28, 2025 (*both days inclusive*) and the result of the same will be declared not later than Monday, June 30, 2025.

A copy of Postal Ballot Notice dated June 06, 2025, is enclosed.

The said information is also being uploaded on the website of the Trust at [www.highwaystrust.com](http://www.highwaystrust.com).

You are requested to kindly take the same on record.

Yours faithfully,

For **Highways Infrastructure Trust**

(acting through its Investment Manager – **Highway Concessions One Private Limited**)

**Gajendra Mewara**

**Company Secretary & Compliance Officer**

**M. No. – ACS 22941**

**Place: Mumbai**

CC:

<b>Axis Trustee Services Limited</b> ("Unit Trustee") Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025 MH	<b>Catalyst Trusteeship Limited</b> ("Debenture Trustee") 901, 9 <sup>th</sup> Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, MH	<b>ICICI Bank Limited</b> ("Issuing & Paying Agent") ICICI Bank Towers, Bandra Kurla Complex, Bandra, (East), Mumbai – 400051 MH
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**HIGHWAYS INFRASTRUCTURE TRUST**

**Principal Place of Business:** Unit No. 601-602, 6<sup>th</sup> Floor, Windsor House, Off CST Road, Kalina, Santacruz (East), Mumbai, Maharashtra – 400098

**Tel:** +91 22 6107 3200; **E-mail:** [compliance.highwaysinvit@highwayconcessions.com](mailto:compliance.highwaysinvit@highwayconcessions.com);

**Website:** [www.highwaystrust.com](http://www.highwaystrust.com)

**(SEBI Registration number IN/InvIT/21-22/0019)**

**REF No. HIT/PBN/02/2025-26**

**POSTAL BALLOT NOTICE**

Dear Unitholder(s),

**NOTICE** is hereby given that pursuant to the Regulation 22(2)(b) of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and the notifications, circulars and guidelines issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (the “**SEBI InvIT Regulations**”) read with Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 issued by the Securities and Exchange Board of India (the “**SEBI Master Circular**”) and pursuant to other applicable laws and regulations, if any, as may be applicable in this regard, the resolution(s) as set out in this notice (the “**Notice**” or the “**Postal Ballot Notice**”) is proposed to be passed by the unitholders (the “**Unitholders**”) of Highways Infrastructure Trust (the “**Trust**”) through postal ballot including electronic voting (“**e-voting**”).

An explanatory statement pertaining to the proposed resolution(s) of the Unitholders setting out the material facts and the reasons/rationale thereof forms part of this Postal Ballot Notice.

The Board of Directors of Highway Concessions One Private Limited (the “**Board**”), acting as Investment Manager of the Trust (the “**Investment Manager**”), has appointed Ms. Deepti Kulkarni (Membership No.: A34733, Certificate of Practice No.: 22502), failing her, Mr. Omkar Dindorkar (Membership No.: A43029, Certificate of Practice No.: 24580), Partners of M/s. MMJB & Associates LLP, Practicing Company Secretaries (ICSI Unique Code: L2020MH006700), as the Scrutinizer (the “**Scrutinizer**”) for conducting the postal ballot voting process in a fair and transparent manner.

The Unitholders may note that the Postal Ballot Notice shall be sent only to the respective email IDs as may be registered/ updated/ available in the database of the Trust/Registrar and Transfer Agent i.e. MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*) (“**MUFG**”) as on the closure of business hours of Friday, May 30, 2025 (“**Cut-off date**”).

The Postal Ballot Notice is also available on the Trust’s website: [www.highwaystrust.com](http://www.highwaystrust.com) and on website of the National Stock Exchange of India Limited (“**Stock Exchange**”): [www.nseindia.com](http://www.nseindia.com).

Unitholders have the option to vote either by means of physical postal ballot or through e-voting. Unitholders desiring to exercise their vote by means of postal ballot process are requested to carefully read the instructions indicated in this Postal Ballot Notice and record their assent (“**FOR**”) or dissent (“**AGAINST**”) in the attached postal ballot form (the “**Postal Ballot Form**”) and submit the same duly

completed and signed. The Trust is also providing e-voting facility from MUFG for voting electronically on the resolution(s) proposed in this Postal Ballot Notice. The unitholders desiring to opt for the e-voting facility are requested to read carefully the related notes to this Postal Ballot Notice and instructions given thereunder.

Unitholders can opt for only one mode of voting, i.e. either by physical postal ballot or through e-voting. In case Unitholders cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot will be treated as **"INVALID"**.

Only those Unitholders who are identified as on the closure of cut-off date Friday, May 30, 2025 shall be eligible to vote.

The voting period commences at 09:00 hours (IST) on **Saturday, June 07, 2025**, and ends at 17:00 hours (IST) on **Saturday, June 28, 2025** (*both days inclusive*).

**Scrutinizer's Report:**

After completion of the scrutiny of the Postal Ballots and e-voting in a fair and transparent manner, the Scrutinizer will submit his report to the Board of Investment Manager of the Trust, or any other person authorized by the Board.

The results declared along with the Scrutinizer's report will be submitted to the Stock Exchange not later than **Monday, June 30, 2025** and it shall be displayed on the Trust's website at [www.highwaystrust.com](http://www.highwaystrust.com).

**PROPOSED RESOLUTION(S):**

**ITEM NO. 1**

**TO CONSIDER, APPROVE AND ADOPT THE AMENDED DISTRIBUTION POLICY OF HIGHWAYS INFRASTRUCTURE TRUST**

To consider and, if thought fit, to pass the following resolution by way of approval of simple majority of Unitholders (i.e. where votes cast in favour of the resolution shall be more than the fifty per cent of the total votes cast for the resolution) in terms of Regulation 22(4)(f) of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and the notifications, guidelines and circulars issued thereunder from time to time read with SEBI circular bearing no. SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2025/63 dated May 07, 2025 (including any statutory modification(s) or re-enactment thereof for the time being in force) (the “**SEBI InvIT Regulations**”):

“**RESOLVED THAT** pursuant to the applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and the circulars, clarifications, guidelines and notifications issued thereunder, each as amended from time to time (the “**SEBI InvIT Regulations**”), read with SEBI circular bearing no. SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2025/63 dated May 07, 2025 (“**SEBI May Circular**”) issued by the Securities and Exchange Board of India (“**SEBI**”), and other applicable law, including any statutory modifications, amendments or re-enactments thereof for the time being in force, the consent of the Unitholders be and is hereby accorded for the approval and adoption of the amended distribution policy of Highways Infrastructure Trust (“**Trust**”), annexed to the notice as **Annexure – I**;

**RESOLVED FURTHER THAT** the Board of Directors of Highway Concessions One Private Limited, the Investment Manager of the Trust, (“**Board**”, which term shall be deemed to include any committee which the Board has duly constituted or may hereinafter duly constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized on behalf of the Trust to do all acts, deeds, things, and matters, including sub-delegation of all, or any of these powers, as may be required or are necessary, usual or expedient, in connection with or incidental to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Unitholders, and to settle any question that may arise in this regard.”

## **ITEM NO. 2**

### **TO CONSIDER AND APPROVE THE AMENDMENT AND/OR RESTATEMENT IN THE INVESTMENT MANAGEMENT AGREEMENT AND PROJECT MANAGEMENT AGREEMENT**

To consider and, if thought fit, to pass the following resolution by way of approval of special majority of Unitholders (i.e., where the votes cast in favour of the resolution shall not be less than sixty percent of the total votes cast for the resolution) in accordance with Regulation 22(5)(b) of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended and the notifications, guidelines and circulars issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (the “**SEBI InvIT Regulations**”).

“**RESOLVED THAT** pursuant to the provisions of Regulation 10, 22 and any other applicable provisions of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and the circulars, clarifications, guidelines and notifications issued thereunder, each as amended from time to time (the “**SEBI InvIT Regulations**”), approval of the Unitholders of Highways Infrastructure Trust (“**Trust**”) be and is hereby accorded to amend and restate the Investment Management Agreement dated October 20, 2022 (as amended from time to time) (“**IMA**”) entered into amongst Axis Trustee Services Limited (“**Trustee**”), Highway Concessions One Private Limited (“**Investment Manager**”) and Special Purpose Vehicles (“**SPVs**”) owned by the Trust and Project Management Agreement dated October 20, 2022 (as amended from time to time) (“**PMA**”) entered into amongst the Trustee, Investment Manager, HC One Project Manager Private Limited (“**Project Manager**”) and SPVs owned by the Trust, for the purpose of modification of the fee payable to the Investment Manager and the Project Manager as per the structure provided herein below:-

<b>Investment Manager Fee (exclusive of GST)</b>	<b>Lower of (A) and (B)</b>
<b>(A)</b>	1.103% of the aggregate revenue of all SPVs and HoldCos of the Trust;
<b>(B)</b>	0.225% of the value of assets as determined by the latest available valuation of the assets of the Trust.
<b>Project Manager Fee (exclusive of GST)</b>	<b>Lower of (C) and (D)</b>
<b>(C)</b>	1.347% of the aggregate revenue of all SPVs and HoldCos of the Trust;
<b>(D)</b>	0.275% of the value of assets as determined by the latest available valuation of the assets of the Trust.

**RESOLVED FURTHER THAT** the Board of Directors of the Investment Manager of the Trust, (“**Board**”, which term shall be deemed to include any committee which the Board has duly constituted or may hereinafter duly constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized on behalf of the Trust to do all acts, deeds, things, and matters, including sub-delegation of all, or any of these powers, as may be required or are necessary, usual or expedient, in connection with or incidental to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Unitholders, and to settle any question that may arise in this regard.”

For **Highways Infrastructure Trust**  
By Order of the Board  
**Highway Concessions One Private Limited**  
(Acting as the Investment Manager to Highways Infrastructure Trust)

Sd/-  
**Gajendra Mewara**  
**Company Secretary & Compliance Officer**  
ACS No.: A-22941

Date: June 06, 2025  
Place: Mumbai

**Principal Place of Business and Contact Details of the Trust:**

**Highways Infrastructure Trust**

Unit No. 601-602, 6<sup>th</sup> Floor, Windsor House,  
Off CST Road, Kalina, Santacruz (East),  
Mumbai, Maharashtra – 400098

**SEBI Registration Number:** IN/InvIT/21-22/0019

Email: [Compliance.highwaysinvit@highwayconcessions.com](mailto:Compliance.highwaysinvit@highwayconcessions.com)

Website: [www.highwaystrust.com](http://www.highwaystrust.com)

**Company Secretary & Compliance Officer:** Mr. Gajendra Mewara

Tel: +9122 6107 3200

**Registered office and Contact details of**

**Highway Concessions One Private Limited:**

Unit No. 601-602, 6<sup>th</sup> Floor, Windsor House, Off CST Road,  
Kalina, Santacruz (East), Mumbai, Maharashtra – 400098

Email – [Compliance.highwaysinvit@highwayconcessions.com](mailto:Compliance.highwaysinvit@highwayconcessions.com)

**Company Secretary & Compliance Officer:** Mr. Gajendra Mewara

Tel: +9122 6107 3200

**NOTES:**

1. An explanatory statement setting out the material facts and reasons for the proposed resolution(s) is annexed herewith and forms part of the Postal Ballot Notice.
2. As per the Regulation 22(2)(b) of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, for any matter requiring approval of the Unitholders, voting may also be done by postal ballot or electronic mode. Pursuant to this, the Trust is seeking the approval of the Unitholders on the proposed resolution(s) by way of Postal Ballot including electronic voting.
3. The Postal Ballot Notice along with the Postal Ballot Form is being sent to Unitholders at the email address registered with their Depository Participants by permitted mode.
4. Only those Unitholders whose names are recorded in the Register of Beneficial Owners as received from National Securities Depository Limited (“**NSDL**”) and Central Depository Services (India) Limited (“**CDSL**”) as on the close of business hours on Friday, May 30, 2025 (“**Cut-off Date**”) shall be eligible for voting and receipt of notice.
5. Resolution(s) passed by the Unitholders through Postal Ballot shall be deemed to have been passed as if they have been passed at a general meeting of the Unitholders.
6. In case a Unitholder is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to [compliance.highwaysinvt@highwayconcessions.com](mailto:compliance.highwaysinvt@highwayconcessions.com). The Investment Manager on behalf of the Trust shall forward the same to the Unitholder.
7. Please note that if any Postal Ballot Form is received after the aforesaid date and time, it will be considered that no reply has been received from the Unitholder(s) and the said Unitholder(s) has chosen to abstain from voting on the items indicated in the Postal Ballot Notice. **The last date of voting, i.e. not later than 17:00 hours IST on Saturday, June 28, 2025 shall be the date on which the resolution(s) would be deemed to have been passed, if approved by the requisite majority.**
8. The Unitholders can opt for only one mode of voting, i.e., either by physical ballot form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot form will be treated as invalid.
9. The e-voting period commences on **Saturday, June 07, 2025** (09:00 hours IST) and ends on **Saturday, June 28, 2025** (17:00 hours IST). During this period the Unitholders of the Trust, may cast their vote electronically. The e-voting module shall be disabled by MUFG for voting thereafter. Once the vote on a resolution(s) is cast by the Unitholder, the Unitholders shall not be allowed to change it subsequently.



## 10. Voting Instructions:

### A. PROCEDURE AND INSTRUCTIONS RELATING TO E VOTING

Trust is pleased to provide e-voting facility to all its Unitholders, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post or by email. Trust has engaged the services of MUFG Intime India Private Limited (*Formerly known as Link Intime India Private Limited*), the Registrar and Share Transfer Agent for the purpose of providing e-voting facility to all its Unitholders. During the voting period, Unitholders can login to MUFG's e-voting platform any number of times till they have voted on all the resolutions.

#### Remote e-Voting Instructions for Unitholders:

As per the SEBI circular dated December 9, 2020, individual Unitholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Login method for Individual Unitholders holding securities in demat mode is given below:**

**Individual Unitholders holding securities in demat mode with NSDL**

#### **METHOD 1 - Individual Unitholders registered with NSDL IDeAS facility**

**Unitholders who have registered for NSDL IDeAS facility:**

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter User ID and Password. Click on "Login"
- c) After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**OR**

**Unitholders who have not registered for NSDL IDeAS facility:**

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post successful registration, user will be provided with Login ID and password.
- d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - Individual Unitholders directly visiting the e-voting website of NSDL:**

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the “Login” tab available under ‘Unitholder/Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**Individual Unitholders holding securities in demat mode with CDSL:**

**METHOD 1 – Individual Unitholders registered with CDSL Easi/ Easiest facility**

**Unitholders who have registered/ opted for CDSL Easi/ Easiest facility:**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or [www.cdslindia.com](http://www.cdslindia.com).
- b) Click on New System Myeasi Tab
- c) Login with existing my easi username and password
- d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., Link InTime, for voting during the remote e-voting period.
- e) Click on “Link InTime / MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**OR**

**Unitholders who have not registered for CDSL Easi/ Easiest facility:**

- a) To register, visit URL:  
<https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>  
[/https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration](https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration)
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided username and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “Link InTime / MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 – Individual Unitholders directly visiting the e-voting website of CDSL**

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.

- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “Link InTime / MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**Individual Unitholders holding securities in demat mode with Depository Participant:**

Individual unitholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through “e-voting” option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) After successful authentication, click on “Link InTime / MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**Login method for ~~unitholders holding securities in physical mode~~ / Non-Individual Unitholders holding securities in demat mode:**

~~Unitholders holding units in physical mode~~ / Non-Individual Unitholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

1. Visit URL: <https://instavote.linkintime.co.in>

Unitholders who have not registered for INSTAVOTE facility:

2. Click on “**Sign Up**” under ‘SHARE HOLDER’ tab and register with your following details:

**a. User ID:**

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Unitholders holding units in physical form – User ID is Event No + Folio Number registered with the Company.

**b. PAN:**

Enter your 10-digit Permanent Account Number (PAN)

(Unitholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

**c. DOB/DOI:**

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**d. Bank Account Number:**

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Unitholders holding units in **NSDL form**, shall provide 'D' above*

*\*\*Unitholders holding units in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

- ❖ Set the password of your choice  
(The password should contain minimum 8 characters, at least one special Character (!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- ❖ Enter Image Verification (CAPTCHA) Code
- ❖ Click "Submit" (You have now registered on InstaVote).

Unitholders who have registered for INSTAVOTE facility:

3. Click on "**Login**" under 'SHARE HOLDER' tab.
  - a. User ID: Enter your User ID
  - b. Password: Enter your Password
  - c. Enter Image Verification (CAPTCHA) Code
  - d. Click "Submit"
4. Cast your vote electronically:
  - a. After successful login, you will be able to see the "Notification for e-voting".
  - b. Select 'View' icon.
  - c. E-voting page will appear.
  - d. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
  - e. After selecting the desired option i.e. Favour / Against, click on 'Submit'.  
A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

**Guidelines for Institutional Unitholders ("Corporate Body/ Custodian/Mutual Fund"):**

**STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration**

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on "**Sign Up**" under "Custodian / Corporate Body/ Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

## STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “**Investor Mapping**” tab under the Menu Section
- c) Map the Investor with the following details:
  - i. ‘Investor ID’ –
    - A. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID *i.e.*,  
IN000000012345678
    - B. CDSL demat account – User ID is 16 Digit Beneficiary ID.
  - ii. ‘Investor’s Name - Enter Investor’s Name as updated with DP.
  - iii. ‘Investor PAN’ - Enter your 10-digit PAN.
  - iv. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

*\*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.*

- v. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

## STEP 3 – Voting through remote e-voting

The corporate unitholder can vote by two methods, during the remote e-voting period:

### METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “**Votes Entry**” tab under the Menu section.
- c) Enter the “**Event No.**” for which you want to cast vote.  
Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- d) Enter “**16-digit Demat Account No.**” for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- f) After selecting the desired option *i.e.* Favour / Against, click on ‘Submit’.  
A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

OR

### METHOD 2 - VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will be able to see the “Notification for e-voting”.
- c) Select “**View**” icon for “**Company’s Name / Event number**”.
- d) E-voting page will appear.
- e) Download sample vote file from “**Download Sample Vote File**” tab.
- f) Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “**Upload Vote File**” option.

- g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.  
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

#### Helpdesk:

#### ~~Unitholders holding securities in physical mode~~ / Non-Individual Unitholders holding securities in demat mode:

Unitholders holding securities in physical mode / Non-Individual Unitholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at [enotices@in.mpms.mufg.com](mailto:enotices@in.mpms.mufg.com) or contact on: - Tel: 022 – 4918 6000.

#### Individual Unitholders holding securities in demat mode:

Individual Unitholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Unitholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000
Individual Unitholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

#### Forgot Password:

#### ~~Unitholders holding securities in physical mode~~ / Non-Individual Unitholders holding securities in demat mode:

Unitholders holding securities in physical mode / Non-Individual Unitholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the unitholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on "Login" under 'SHARE HOLDER' tab.
- Click "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

*In case unitholders have a valid email address, Password will be sent to his / her registered e-mail address. Unitholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

**User ID:**

*NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.*

*CDSL demat account – User ID is 16 Digit Beneficiary ID.*

*Unitholders holding units in physical form – User ID is Event No + Folio Number registered with the Company.*

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the unitholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click **“forgot password?”**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

*In case unitholders have a valid email address, Password will be sent to his / her registered e-mail address. Unitholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Unitholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Individual Unitholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Unitholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For unitholders/ members holding units in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, unitholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**B. PROCEDURE AND INSTRUCTIONS RELATING TO VOTING THROUGH PHYSICAL POSTAL BALLOT FORM**

Unitholders are requested to read the instructions printed in the Postal Ballot Form for exercising their vote. The postage costs will be reimbursed by the Trust on the basis of actual claim. The Postal Ballot Form may be deposited/delivered/shared with the Scrutinizer by any of the indicated convenient mode viz. personally OR through Registered Post OR Speed Post OR through courier service (collectively referred to as **“Physical Submission”**) OR through electronic means such through registered e-mail id (referred to as **“Electronic Submission”**) not later than 17:00 hours (IST) on **Saturday, June 28, 2025**.

The details of the Scrutinizer for Physical or Electronic Submission of Postal Ballot are given hereunder:

Physical Submission	Electronic Submission
M/s. MMJB & Associates LLP, Practicing Company Secretaries <i>Kind Attention:</i> Ms. Deepti Kulkarni Mr. Omkar Dindorkar Address: Citi of Joy, Ecstasy, 803/804, 8 <sup>th</sup> floor, JSD Road, Mulund West, Mumbai, Maharashtra – 400080 Contact No.: 8097092404	<a href="mailto:scrutinisers@mmjc.in">scrutinisers@mmjc.in</a>

11. If the Unitholders cast their vote by physical submission of postal ballot paper as well electronic submission of postal ballot paper, then the vote received earlier by the Scrutinizer shall be considered.
12. After completion of the scrutiny of the Postal Ballots including e-voting in a fair and transparent manner, the Scrutinizer will submit his report to the Board of Investment Manager of the Trust, or any other person authorized by the Board. The results of the Postal Ballot shall be declared not later than **Monday, June 30, 2025** and communicated to the stock exchange and shall be displayed on the Trust's website: [www.highwaystrust.com](http://www.highwaystrust.com)
13. The last date for the receipt of duly completed Postal Ballot Forms including e-voting shall be the date on which the resolution(s) would be deemed to have been passed, if approved by the requisite majority. All the material documents referred to in the Explanatory Statement will be available for inspection at the registered office of the Investment Manager located at Unit No. 601-602, 6<sup>th</sup> Floor, Windsor House, Off CST Road, Kalina, Santacruz (East), Mumbai, Maharashtra – 400098 during office hours on all working days from the date of dispatch of the Postal Ballot Notice until the last date for receipt of votes by Postal Ballot i.e. not later than 17:00 hours (IST) on **Saturday, June 28, 2025**.
14. Institutional Unitholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer.
15. Unitholders are requested to send their queries, if any, to the Investment Manager to enable the Investment Manager to provide the required information on [compliance.highwaysinvit@highwayconcessions.com](mailto:compliance.highwaysinvit@highwayconcessions.com).

Unitholders who have not registered their email address so far are requested to register their email address with their demat account maintained with depositories and depository participants for receiving all communication from the Investment Manager, on behalf of the Trust, electronically.



## EXPLANATORY STATEMENT

The following statements set out the material facts and reasons for the proposed resolution(s) stated at item No. 1 and 2 the accompanying notice above:

### ITEM NO. 1

#### TO CONSIDER, APPROVE AND ADOPT THE AMENDED DISTRIBUTION POLICY OF HIGHWAYS INFRASTRUCTURE TRUST

##### Background:

The Board of Directors ("**Board**") of Highway Concessions One Private Limited (the "**Investment Manager**"), had approved and adopted the distribution policy of the Highways Infrastructure Trust ("**Trust**") vide its resolution dated November 15, 2022 outlining the manner in which the Net Distributable Cash Flow ("**NDCF**") of the Trust is required to be calculated for distribution to the Unitholders of the Trust in terms of the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("**SEBI InvIT Regulations**"). Further, the Board of the Investment Manager vide its resolution dated March 22, 2024 amended the Distribution Policy of the Trust to align with the framework prescribed in the Securities and Exchange Board of India ("**SEBI**") circular no. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2023/184 dated December 06, 2023 ("**NDCF Circular**").

SEBI introduced amendments to the SEBI InvIT Regulations through the SEBI (Infrastructure Investment Trusts) (Third Amendment) Regulations, 2024, effective from November 26, 2024. These amendments *inter alia* provided for the timelines for payment of distribution after declaration and the determination of record dates for the purpose of payment of distribution. Also, SEBI vide its circular bearing no. SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2025/63 dated May 07, 2025 ("**SEBI May Circular**") has further revised framework for calculation of NDCF by introducing amendments to Chapter 3 of the Master Circular dated May 15, 2024 ("**Master Circular**") mandating the following:-

- a) **Frequency of distribution to be followed consistently:** The period of making distribution should be followed consistently (whether on a half-yearly/quarterly/monthly basis) and the same should be part of distribution policy of the InvIT.
- b) **Frequency of distribution to be prescribed:** The distribution policy of the InvIT should prescribe the frequency of the distribution.
- c) **Cashflows from all assets to be considered for distribution:** For each distribution, it should be ensured that cash flows from all assets, whether held by InvIT or any of the underlying SPVs or HoldCos, are being distributed together.
- d) **Mandated 90% distribution:** The first distribution (whether monthly/quarterly/half-yearly, etc.) out of the NDCF computed for a financial year (or period thereof) should be minimum 90% / 100% as mandated in the InvIT Regulations. Thereafter, minimum distribution requirement should be met on a cumulative basis for the subsequent distributions out of the NDCF for such financial year.
- e) **Approval requirement for change in distribution policy:** In case of any change in distribution policy other than regulatory changes, the Unitholder approval shall be required where votes cast in favour of the resolution are more than fifty percent of the total vote cast.

In light of the above regulatory developments, the Board of the Investment Manager has proposed the amendment in the Distribution Policy of the Trust to align with the framework set out in the revised Chapter 3 of the Master Circular. The proposed key changes to the distribution policy are as follows:

1. **Frequency of Distribution:** The Trust to distribute the available distributable income not less than once every quarter in every financial year.
2. **Commitment for distribution on a consistent basis:** as mandated under the SEBI May Circular.
3. **Payment of Distribution and Record date:** The distribution policy is updated to define the timeline for payment of distribution and determination of the record date, in line with the amended SEBI InvIT Regulations.
4. **Framework for Calculation of Net Distributable Cash flows:** The revised framework for computation of NDCF as prescribed under revised Chapter 3 of Master Circular is included in the distribution policy.

**Recommendation of the Investment Manager:**

The aforesaid changes in the distribution policy of the Trust would require an approval from the Unitholders by way of simple majority of the Unitholders in terms of the provisions of amended Master Circular and also under Regulation 22(4)(f) of the InvIT Regulations.

None of the directors or key personnel of the Investment Manager and /or their relatives, are in any way, financially or otherwise, interested or concerned in this resolution.

In view of the above, the Board of Directors of Investment Manager recommends the resolution as set out in Item No. 1 of the Postal Ballot Notice for your approval by way of simple majority (where votes cast in favour of the resolution shall be more than the fifty per cent of the total votes cast for the resolution).

**ITEM NO. 2**

**TO CONSIDER AND APPROVE THE AMENDMENT AND/OR RESTATEMENT IN THE INVESTMENT MANAGEMENT AGREEMENT AND PROJECT MANAGEMENT AGREEMENT**

**Background:**

The Board of Directors (“**Board**”) of Highway Concessions One Private Limited (the “**Investment Manager**”), approved modification in the fee payable to the investment manager (“**Investment Manager**” or “**IM**”) of the Highways Infrastructure Trust (“**Trust**”), and the project manager (“**Project Manager**” or “**PM**”) of the Trust and consequent amendment in the Investment Management Agreement (“**IMA**”) and the Project Management Agreement (“**PMA**”).

Currently, under the IMA and PMA, the fee is charged on a cost-plus basis to the Trust i.e., cost-plus-ten percent (Cost + 10%). This model was considered appropriate during the Trust’s initial phase of growth and operational establishment. However, with the Trust having since expanded its platform to 27 project special purpose vehicles and transitioned into a more mature and stable phase of operations, it is now proposed to charge the fee linked to revenue-base and assets under management

("AUM"). The objective of this transition is to align the fee structure with the prevailing industry standards and to establish a more scalable, accountable and performance-oriented fee structure.

**Rationale for Change:**

- **Alignment with Industry Standards** - The proposed model reflects common practice across InvITs and infrastructure funds, providing greater transparency and ease of comparability.
- **Improved Cost Control and Accountability** - By linking the fee to revenue and AUM, the new model aligns the fee payable to the IM and PM with performance of the platform, driving cost discipline and accountability of the employees of the Investment Manager and the Project Manager. Hence, such structure shall ensure the costs for rendering services are aligned with overall performance of the Trust and being in the overall interest of the Unitholders.

**Proposed Fee Structure:**

**i. IM Fee**

IM Fee shall be lower of (a) 1.103% of the aggregate revenue of all special purpose vehicle ("SPVs") and HoldCos of the Trust; and (b) 0.225% of the value of assets as determined by the latest available valuation of the assets of the Trust. Such fee shall be exclusive of all taxes (including any GST) which shall be payable in addition.

**ii. PM Fee**

PM Fee shall be lower of (a) 1.347% of the aggregate revenue of all SPVs and HoldCos of the Trust; and (b) 0.275% of the value of assets as determined by the latest available valuation of the assets of the Trust. Such fee shall be exclusive of all taxes (including any GST) which shall be payable in addition.

Implementation of the revised fee framework will also necessitate corresponding amendments in the IMA and PMA. Accordingly, it is proposed to amend and restate the IMA amongst Axis Trustee Services Limited ("Trustee"), Investment Manager and SPVs owned by the Trust and PMA amongst the Trustee, Investment Manager, Project Manager and SPVs owned by the Trust, for the purpose of modification of the fee payable to the Investment Manager and the Project Manager respectively.

**Recommendation of the Investment Manager:**

With respect to the proposed changes in the fee structure and consequent amendment in IMA & PMA, would require an approval from the Unitholders of the Trust in accordance with Regulation 22(5)(b) of the InvIT Regulations.

Except Galaxy Investments II Pte. Ltd. (Shareholder of Investment Manager), Nebula Asia Holdings II Pte. Ltd. (Shareholder of Investment Manager), 2743298 Ontario Limited (Shareholder of Investment Manager), Mr. Hardik Shah, Non-Executive Director, Ms. Ami Momaya, Non-Executive Director, Mr. Michael Nachaty, Unitholder Nominee Director, Dr. Zafar Khan, Executive Director & Joint CEO (being director of the Project Manager) and Mr. Abhishek Chhajer, Chief Financial Officer (being director of the Project Manager), being interested directors and/or key personnel, none of the directors or key personnel of the Investment Manager and /or their relatives, are in any way, financially or otherwise, interested or concerned in this resolution.

Votes rendered by parties interested in (or their Associates) shall not be considered for the purpose of this resolution.

In view of the above, the Board of Investment Manager recommends the resolution as set out in Item No. 2 of the Postal Ballot Notice for your approval by way of special majority (where the votes cast in favour of the resolution shall not be less than sixty percent of the total votes cast in favour of the resolution).

**For Highways Infrastructure Trust**  
**By Order of the Board**  
**Highway Concessions One Private Limited**  
*(Acting as the Investment Manager to Highways Infrastructure Trust)*

Sd/-  
**Gajendra Mewara**  
**Company Secretary & Compliance Officer**  
**ACS No.: A-22941**

**Date: June 06, 2025**  
**Place: Mumbai**

**Principal Place of Business and Contact Details of the Trust:**

**Highways Infrastructure Trust**

Unit No. 601-602, 6<sup>th</sup> Floor, Windsor House,  
Off CST Road, Kalina, Santacruz (East),  
Mumbai, Maharashtra – 400098

**SEBI Registration Number:** IN/InvIT/21-22/0019

Email: [Compliance.highwaysinvit@highwayconcessions.com](mailto:Compliance.highwaysinvit@highwayconcessions.com)

Website: [www.highwaystrust.com](http://www.highwaystrust.com)

**Company Secretary & Compliance Officer:** Mr. Gajendra Mewara

Tel: +9122 6107 3200

**Registered office and Contact details of**

**Highway Concessions One Private Limited:**

Unit No. 601-602, 6<sup>th</sup> Floor, Windsor House, Off CST Road,  
Kalina, Santacruz (East), Mumbai, Maharashtra – 400098

Email – [Compliance.highwaysinvit@highwayconcessions.com](mailto:Compliance.highwaysinvit@highwayconcessions.com)

**Company Secretary & Compliance Officer:** Mr. Gajendra Mewara

Tel: +9122 6107 3200

**HIGHWAYS INFRASTRUCTURE TRUST**

**Principal Place of Business:** 601-602, 6<sup>th</sup> Floor, Windsor House, Off CST Road, Kalina, Santacruz (E), Mumbai- 400098

**Tel:** +91 22 6107 3200; **E-mail:** [Compliance.highwaysinvit@highwayconcessions.com](mailto:Compliance.highwaysinvit@highwayconcessions.com);

**Website:** [www.highwaystrust.com](http://www.highwaystrust.com)

**(SEBI Registration number: IN/InvIT/21-22/0019)**

**REF No. HIT/PBN/02/2025-26**

**POSTAL BALLOT FORM**

<b>Name of the Trust</b>	HIGHWAYS INFRASTRUCTURE TRUST
<b>Principal Place of business</b>	Unit No. 601-602, 6 <sup>th</sup> Floor, Windsor House, Off CST Road, Kalina, Santacruz (East), Mumbai, Maharashtra – 400098
<b>Registered Office of the Investment Manager</b>	Unit No. 601-602, 6 <sup>th</sup> Floor, Windsor House, Off CST Road, Kalina, Santacruz (East), Mumbai, Maharashtra – 400098
<b>SEBI Registration No.</b>	IN/InvIT/21-22/0019

Sr. No.	Particulars	Details
1.	Name of the Unitholder(s)	
2.	Registered Address and Email ID	
3.	No. of Units held	
4.	Folio No./ Client ID	
5.	DP ID	

I/We hereby give my/our instructions to the Investment Manager through Postal Ballot for the business stated in the Notice of the Highways Infrastructure Trust by conveying my decision in the appropriate box below:

Sr. No.	Item Name	Assent	Dissent
1.	To consider, approve and adopt the amended distribution policy of Highways Infrastructure Trust		
2.	To consider and approve the amendment and/or restatement in the Investment Management Agreement and Project Management Agreement		

\_\_\_\_\_  
**Signature of the Unitholder**

**Date –**

**Place –**

**General Instructions for Voting through Physical Postal Ballot Form**

- a) A unitholder desiring to exercise vote by postal ballot may complete the Postal Ballot Form and send it to the Scrutinizer.
- b) Please convey your assent/ dissent in this Postal Ballot Form. The assent/ dissent received in any other form shall not be considered valid.
- c) The votes should be cast in favour of or against the resolution by putting the tick mark (✓) in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the columns will render the form invalid.
- d) The Postal Ballot Form should be completed and signed by the member.
- e) Incomplete, unsigned or incorrectly ticked Postal Ballot Form shall be rejected.
- f) In addition to the reasons as mentioned above for rejection, Postal Ballot Form/Votes will be considered invalid on the following grounds:
  - 1) If a form other than the one issued by the Trust has been used.
  - 2) If the Postal Ballot Form has not been signed by or on behalf of the unitholder.
  - 3) If it is not possible to determine without any doubt the assent or dissent of the member.
  - 4) If assent or dissent is not mentioned
  - 5) If assent or dissent is given subject to some amendment to the resolution or condition.
  - 6) If the envelope containing the Postal Ballot Form is received after the last date and time prescribed.
  - 7) If the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the unitholder or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the grounds.
- g) If the unitholders cast their vote by physical submission of postal ballot form **as well as** electronic submission of postal ballot paper, then the vote received earlier by the scrutinizer shall be considered.
- h) The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.

## Annexure - I



### Highways Infrastructure Trust Distributions Policy

Version	Date of Approval
01	November 15, 2022
02	March 22, 2024
03	_____, 2025

**(HC1\_Version 03\_2025)**

This document supersedes all the previous versions of Policy/ communication on this subject.

**The policy shall be effective from the date of approval of the Securities and Exchange Board of India for appointment of Highway Concessions One Pvt. Ltd. ("Company") as Investment Manager of Highways Infrastructure Trust which is registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("SEBI InvIT Regulations") on December 23, 2021 having registration number IN/InvIT/21-22/0019).**

The contents of this Policy are the property of Highway Concessions One Private Limited ("Company") and both, its use and dissemination, are for internal purposes only. This document may not be reproduced, stored or distributed, in any format or by any means, whether electronic or physical, without the prior formal authorization of the Company.

## 1. Preamble

- 1.1. This Policy on distribution of the net distributable cash flows of the Highways Infrastructure Trust ("**Highways Trust**") aims at formulating a structure for timely declaration of distribution of such Distributable Income to the Unitholders of the Highways Trust.
- 1.2. This Policy has been adopted by the board of directors of the Investment Manager (the "**Board**") on November 15, 2022, and is effective on and from the Highways Trust Closing Date with respect to the Highways Trust and may be amended from time to time in compliance with the requirement under Applicable Law. The Policy will be effective with respect to, Company from the date of approval of the Securities and Exchange Board of India for appointment of the Company as Investment Manager of Highways Infrastructure Trust. The Investment Manager shall, at all times, comply with the requirements envisaged under the Highways Trust Documents and Applicable Law.

## 2. Definitions

- 2.1. "**Applicable Law**" shall mean the Indian Trusts Act, 1882, the Companies Act, 2013 and the rules framed thereunder, the SEBI InvIT Regulations, the Master Circular bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024, as amended from time to time and any other circulars, guidelines, or regulations issued by the Securities and Exchange Board of India ("SEBI") from time to time.
- 2.2. "**Distributable Income**" shall mean the Net Distributable Cash Flows of the Highways Trust, calculated in accordance with Clause 5.1(b) of this Policy.
- 2.3. "**Highways Trust Assets**" shall mean assets owned by the Highways Trust, whether directly or Project SPVs, and includes all rights, interests and benefits arising from and incidental to ownership of such assets.
- 2.4. "**Highways Trust Closing Date**" shall mean the date on which units are allotted to the successful applicants pursuant to the Initial Offer.
- 2.5. "**Highways Trust Documents**" shall mean the Trust Deed, the Investment Management Agreement, the Securities Acquisition/Purchase Agreements, Project Management Agreements, any agreement between the Trustee and/or the Investment Manager and/or the Project Manager with respect to the Highways Trust or to which the Investment Manager or the Trustee is a party in their capacity as the manager or trustee of the Highways Trust or Units or any other obligations, securities or instruments as permitted under Applicable Law, executed for the purpose of the Highways Trust, any Placement Memorandum or Offer Document, and such other documents in connection therewith, as originally executed and amended, modified, supplemented or restated from time to time.
- 2.6. "**Initial Offer**" shall mean the proposed initial offer of Units by the Highways Trust.
- 2.7. "**Investment Manager**" shall mean Highway Concessions One Private Limited, in its capacity as the investment manager to the Highways Trust.
- 2.8. "**Management Fees**" shall mean the investment management fee payable to the Investment Manager by the Highways Trust, in consideration for the investment management services rendered by the Investment Manager to the Highways Trust pursuant to the Investment Management Agreement.
- 2.9. "**Net Distributable Cash Flows**" or "**NDCF**" shall mean the net distributable cash flows of the Highways Trust, the Holdcos, the Project SPVs, the Infrastructure Assets and all other assets



of the Highways Trust, calculated in accordance with Clause 5.1 of this Policy and the relevant provisions of the Trust Deed, as stipulated in the SEBI InvIT Regulations or in accordance with Applicable Law.

- 2.10. **“Policy”** shall mean this Distribution Policy, as amended from time to time.
- 2.11. **“Project SPVs”** shall have the meaning ascribed to such term defined as SPV in the SEBI InvIT Regulations or otherwise as permitted by SEBI.
- 2.12. **“SEBI”** shall mean the Securities and Exchange Board of India.
- 2.13. **“SEBI InvIT Regulations”** shall mean the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and supplemented from time to time by the SEBI, including all guidelines, circulars, notifications and directions issued by SEBI under the SEBI InvIT Regulations from time to time.
- 2.14. **“Trust Deed”** shall mean the trust deed dated December 3, 2021 entered into between Highways Trust, Investment Manager or the Settlor and the Sponsor, and the Trustee as amended from time to time.
- 2.15. **“Unit”** shall mean an undivided beneficial interest in the Highways Trust, and all issued and allotted Units together represent the entire beneficial interest in the Highways Trust.
- 2.16. **“Unitholders”** shall mean any person who holds any Unit in the Highways Trust.

### **3. Interpretation**

- 3.1. Capitalised terms used, but not defined herein, shall have the meaning ascribed to such terms under the Trust Deed and other Highways Trust Documents, as the case may be.
- 3.2. Save for Paragraph 9 of this Policy, in case of any inconsistency between any other term of the Trust Deed and this Policy, the terms of the Trust Deed shall prevail.

### **4. Distributable Income**

- 4.1. Subject to the terms of the Trust Deed, the Highways Trust shall declare and distribute not less than 90% of the Distributable Income to the Unitholders in proportion of their holdings. The Highways Trust shall distribute the available Distributable Income not less than once every quarter in every financial year. Such frequency shall be followed consistently.
- 4.2. The Distributable Income shall be distributed by the Highways Trust within 5 (five) working days from the record date, in accordance the SEBI InvIT Regulations. The record date for the payment of distribution shall be two working days from the date of the declaration of distribution, excluding the date of declaration and the record date.
- 4.3. If the distribution is not made within the timelines specified in clause 4.2 above, the Investment Manager shall be liable to pay interest to the Unitholders at the rate of 15% (fifteen per cent) per annum till the distribution is made. Such interest shall not be recovered in the Management Fees of the Investment Manager or in the form of fee or any other form payable to the Investment Manager by the Highways Trust.
- 4.4. The distribution shall be made in Indian Rupees and each Unitholder will receive its distribution in Indian Rupees.

- 4.5. Distribution shall be made *pro rata* to the Unitholding of each Unitholder and in accordance with the provisions of the Highways Trust Documents and Applicable Law.
- 4.6. Distributions may be made from the monies received by the Highways Trust by way of the investment held by the Highways Trust in the SPVs, repayment of the loan(s) availed from the Highways Trust by the Project SPVs, interest paid by the Project SPVs to the Highways Trust on the loan(s) availed by the Project SPVs from the Highways Trust, return of capital including dividends received by the Highways Trust from the Project SPVs, redemption/buy-back of the fully paid-up Units and/or otherwise and in accordance with the provisions of the Highways Trust Documents and Applicable Law.

## 5. Method of Calculation of Distributable Income

- 5.1. The Distributable Income of the Highways Trust shall be calculated in accordance with the SEBI InvIT Regulations. The Highways Trust proposes to calculate the Distributable Income in the manner provided below:

### (a) Calculation of the Net Distributable Cash Flows at Project SPVs level:

Particulars
<b>Cash flow from operating activities as per Cash Flow Statement of HoldCo/ Project SPV</b>
(+) Cash Flows received from Project SPV' which represent distributions of NDCF computed as per relevant framework ( <b>refer note 1 and 8 below</b> ) ( <i>relevant in case of HoldCos</i> )
(+) Treasury income / income from investing activities (interest income received from FD, tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)
(+) Proceeds from sale of infrastructure investments, infrastructure assets or shares of Project SPVs or HoldCo adjusted for the following <ul style="list-style-type: none"> <li>• Applicable capital gains and other taxes</li> <li>• Related debts settled or due to be settled from sale proceeds</li> <li>• Directly attributable transaction costs</li> <li>• Proceeds reinvested or planned to be reinvested as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations</li> </ul>
(+) Proceeds from sale of infrastructure investments, infrastructure assets or sale of shares of Project SPVs or HoldCo not distributed pursuant to an earlier plan to re- invest as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations, if such proceeds are not intended to be invested subsequently
(-) Finance cost on Borrowings as per Profit and Loss Account excluding finance cost on any shareholder debt/loan from trust. The amortization of any transaction costs can be excluded provided such transaction costs have already been deducted while computing NDCF of previous period when such transaction costs were paid.
(-) Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt / loan from the Highways Trust)

(-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks / financial institution from whom the Highways Trust or any of its Project SPVs / HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Highways Trust or any of its Project SPVs / HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Highways Trust or any of its Project SPVs / HoldCos, (iv). agreement pursuant to which the Project SPV / HoldCo operates or owns the infrastructure asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations; or – (refer note 2)
(-) any capital expenditure on existing assets owned / leased by the Project SPV or Holdco, to the extent not funded by debt / equity or from reserves created in the earlier years (refer note 9)
<b>NDCF for HoldCo/ Project SPV's</b>

(b) Calculation of the Distributable Income at the Highways Trust level:

<b>Particulars</b>
<b>Cashflows from operating activities of the Highways Trust</b>
(+) Cash flows received from Project SPVs / HoldCos which represent distributions of NDCF computed as per relevant framework ( <b>refer note 1 and 8 below</b> )
(+) Treasury income / income from investing activities of the Highways Trust (interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis)
(+) Proceeds from sale of infrastructure investments, infrastructure assets or shares of Project SPVs / Holdcos or investment entity adjusted for the following <ul style="list-style-type: none"> <li>• Applicable capital gains and other taxes</li> <li>• Related debts settled or due to be settled from sale proceeds</li> <li>• Directly attributable transaction costs</li> <li>• Proceeds reinvested or planned to be reinvested as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations</li> </ul>
(+) Proceeds from sale of infrastructure investments, infrastructure assets or sale of shares of Project SPVs / Hold cos or investment entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations, if such proceeds are not intended to be invested subsequently
(-) Finance cost on Borrowings as per Profit and Loss Account. However, amortization of any transaction costs can be excluded provided such transaction costs have already been deducted while computing NDCF of previous period when such transaction costs were paid.

(-) Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt in any form or funds raised through issuance of units)
(-) any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Highways Trust or any of its Project SPVs / HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Highways Trust or any of its Project SPVs / HoldCos, or (iv). agreement pursuant to which the Highways Trust operates or owns the infrastructure asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations; or – (refer note 2)
(-) any capital expenditure on existing assets owned / leased by the InvIT, to the extent not funded by debt / equity or from contractual reserves created in the earlier years (refer note 9)
<b>NDCF at Highways Trust Level</b>

#### **Notes/ Other Rules:**

1. NDCF computed at the Project SPV level for a particular period to be added under this line item, even if the actual cashflows from Project SPV to the Highways Trust has taken place post that particular period, but before finalization and adoption of accounts of the Highways Trust.
2. The Highways Trust retains the option to distribute any surplus amounts, unless such surplus is required to create reserves for any subsequent period. However, any reserve created out of debt funds at the time of availing debt as per the terms of the financing documents shall not be reduced.
3. The option to retain 10% distribution under Regulation 18(6) of the InvIT Regulations needs to be computed by taking together the retention done at Project SPV level and Highways Trust level.
4. Surplus cash available in Project SPVs due to:
  - (i) 10% of NDCF withheld in line with the Regulations in any earlier year or half year or
  - (ii) Such surplus being available in a new Project SPV on acquisition of such Project SPV by InvIT
  - (iii) Any other reason, excluding if such surplus cash is available due to any debt raise,

could be considered for distribution by the Project SPV to the Highways Trust, or by the Highways Trust to its Unitholders in part or in full. Also, such distribution of surplus funds shall be separately disclosed after the NDCF computation for the respective period.

Provided that with regard to the point 4 (ii) above, if an acquisition of such Project SPV was funded by external debt, then surplus cash available with such Project SPV should first be used to repay such external debt. After such debt repayment, remaining surplus, if any, can be used for distribution

5. Similarly, any restricted cash (disclosed as such) should not be considered for NDCF computation by the Project SPV or the Highways Trust (e.g. unspent CSR balance for any year deposited in a separate account as per Companies Act, 2013 which will be utilized in subsequent years, DSRA reserve, major maintenance reserve etc.)

6. Further, the Highways Trust or Project SPVs shall not distribute any cashflows by obtaining external debt, except to the extent clarified in note 2 and 7 (this will exclude any working capital / OD facilities obtained by the Highways Trust / Project SPVs as part of Treasury management / working capital purposes as long as they are squared off within the quarter).
7. Further, it is also clarified that proceeds from sale of infrastructure investments, infrastructure assets or shares of Project SPVs/ HoldCos adjusted for transaction costs or repayment of debt taken for such assets or other items as mentioned above which is intended to be reinvested or planned to be reinvested as per Regulation 18(7) of InvIT Regulations, could be temporarily parked in Overdraft accounts or used to repay any additional/ unrelated debt. Further if such proceeds are not intended to be reinvested as per the timeline provided in the Regulations and such net proceeds are to be distributed back to Unitholders, then redrawing such temporarily parked funds to distribute such net proceeds will not be considered as a contravention of note 7 above.
8. Cash flows received from Project SPV's/ investment entities which represent distributions of NDCF computed as per relevant framework at the Trust level for further distribution to Unitholders shall exclude any such cash flows used by the Trust for onward lending to any other Project SPVs / investment entities to meet operational / interest expenses or debt servicing of such other Project SPVs / investment entities.
9. Capital expenditure include amounts incurred and paid towards asset enhancement and are capitalized to asset value in the financial statements including lease payments. It is further clarified that Existing Assets as referred to in this line item includes any new structure / building / other infrastructure constructed on an existing infrastructure asset which is already a part of the InvIT.
10. Debt repayment at Highways Trust level will not be reduced from NDCF to the extent such debt is refinanced at the Project SPV level and such proceeds from refinancing have been transferred by the Project SPV to the Highways Trust for such debt repayment.
11. Similarly, debt repayment at Project SPV level will not be reduced from NDCF to the extent such debt is refinanced at the Highways Trust level and such proceeds from refinancing have been transferred by the Highways Trust to the Project SPV for such debt repayment.
12. Investment Manager of the Highways Trust shall ensure the following while making distributions:
  - (i) for each distribution, it should be ensured that cash flows from all assets, whether held by Highways Trust or any of the underlying Project SPVs, are being distributed together.
  - (ii) the first distribution out of the NDCF computed for a financial year (or period thereof) should be minimum 90%/100% as mandated in the SEBI InvIT Regulations. Thereafter, minimum distribution requirement should be met on a cumulative basis for the subsequent distributions out of the NDCF for such financial year.

## **6. Distribution on disposition**

- 6.1. The proceeds realized from the disposition of Investments/Project SPVs shall either be reinvested in the manner as permitted under the SEBI InvIT Regulations or be distributed by the Highways Trust acting through the Investment Manager, within a period of one year, in accordance with the SEBI InvIT Regulations and the Highways Trust Documents, provided that such disposition proceeds shall not be used in contravention of the SEBI InvIT Regulations.
- 6.2. The Distribution shall be declared by the Investment Manager and made by the Trustee through the Investment Manager to the Unitholders in the ratio of the beneficial interest of the Unitholders.

## **7. Distribution on Dissolution**

- 7.1. In the event of dissolution of the Highways Trust, all of the assets of the Highways Trust or the proceeds therefrom shall be distributed or used as follows and in the following order of priority, in accordance with the provisions of the Trust Deed and Applicable Law:
- 7.1.1. First, towards the payment of the debts and liabilities of the Highways Trust, including without limitation any statutory dues of the Highways Trust and also any statutory dues and amounts due to the Trustee (including but not limited to trustee remuneration), the Investment Manager, or a service provider to the Highways Trust and any expenses incurred for the dissolution of the Highways Trust;
  - 7.1.2. Second, towards the setting up of any reserves which the Trustee (on the advice of the Investment Manager) or the authority in-charge of the winding up of the affairs of the Highways Trust may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Highways Trust; and
  - 7.1.3. Third, to the Unitholders in the ratio of their Unitholding.
- 7.2. If Highways Trust Assets are distributed in kind, the amount of such distribution shall be on the basis of the fair market value of the Highways Trust Assets so distributed.

## **8. Deduction of Taxes**

- 8.1. The Trustee shall, subject to the advice of the Investment Manager, and in accordance with the Trust Deed, make any deduction of taxes, cess, fees, charges, assessments and duties that may be required to be deducted or withheld under Applicable Law and also deduct any stamp duties or government taxes, registration fees or charges payable by it, before making any payment of Distributable Income to any Unitholder, or in connection with any documents executed in that regard.
- 8.2. The Investment Manager shall be responsible for deducting all types of taxes and deposit with the relevant Governmental Agency as per the Applicable Law.

## **9. Conflict with Law**

- 9.1. This Policy shall not contradict any the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.
- 9.2. Notwithstanding the above, this Policy will stand amended to the extent of any change in Applicable Law, including any amendment to the SEBI InvIT Regulations, without any action from the Investment Manager or approval of the Unitholders of the Highways Trust.
- 9.3. In case of any change in this policy other than regulatory changes, unitholder approval shall be required where votes cast in favour of the resolution are more than fifty percent of the total vote cast.