

POLICY FOR DETERMINING MATERIALITY OF INFORMATION FOR PERIODIC DISCLOSURES OF THE BHARAT HIGHWAYS INVIT

A. Preamble

This policy for Determining Materiality of Information for Periodic Disclosures (the “**Policy**”) aims to outline process and procedures for determining materiality of information in relation to periodic disclosures required to be made on the website of the Bharat Highways InvIT (the “**InvIT**”), to the stock exchanges and to all stakeholders at large, in relation to the InvIT. The purpose of the Policy is also to ensure that the InvIT complies with Applicable Law, including the InvIT Regulations, the listing agreements to be entered into with the stock exchanges and the UPSI Policy.

B. Definitions

- (i) “**Applicable Law**” shall mean the laws having jurisdiction over the matter in question, including all applicable statutes, enactments, acts of legislature, ordinances, rules, bye-laws, regulations, notifications, decrees, arbitral award, consents, directions, directives, orders or regulations or other governmental or regulatory restrictions or conditions, or any similar form of decision of, or determination by, any governmental authorities, including the Securities and Exchange Board of India, whether in effect as of the date of adoption of this policy or thereafter, including but not limited to the InvIT Regulations.
- (ii) “**Investment Manager**” shall mean GR Highways Investment Manager Private Limited, the investment manager of the InvIT.
- (iii) “**InvIT Regulations**” shall mean the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder.
- (iv) “**SEBI**” shall mean the Securities Exchange Board of India.
- (v) “**Trustee**” shall mean IDBI Trusteeship Services Limited, the trustee to the InvIT.
- (vi) “**Unit**” shall mean an undivided beneficial interest of the InvIT, and such Units together represent the entire beneficial interest of the InvIT.
- (vii) “**Unitholder**” shall mean any person who owns Units of the InvIT.
- (viii) “**UPSI Policy**” shall mean the policy on unpublished price sensitive information and dealing in units of the InvIT adopted by the board of directors of GR Highways Investment Manager Private Limited on behalf of the InvIT on September 16, 2022.

C. Interpretation

- (i) Capitalised terms used, but not defined herein, shall have the meaning ascribed to such term under the amended and restated trust deed dated October 31, 2023 between the Sponsor and the Trustee (“**Trust Deed**”) and other InvIT Documents (as defined in the Trust Deed), as the case may be.
- (ii) In case of any inconsistency between the terms of the amended and restated Trust Deed and this Policy, the terms of the amended and restated Trust Deed shall prevail.

D. Material Event or Information

Any information concerning the InvIT is considered material to the business and affairs of a InvIT if (i) it results in, or would reasonably be expected to result in a significant change in the market price or value of units of the InvIT; or (ii) if there is a substantial likelihood that a reasonable investor would consider it important in determining whether to buy, sell or hold, or engage in other transactions concerning the InvIT’s units; or (iii) the investor would consider important in making

an investment decision.

E. DEEMED MATERIAL INFORMATION

The following events and information shall be deemed to be material information and against which InvIT shall not be required to apply the criteria for determining materiality of information and such events and information, shall be disclosed:

- (i) acquisition or disposal of any projects, directly or through any holding company or special purpose vehicle, value of which exceeds five per cent. of value of the InvIT assets;
- (ii) additional borrowing, at the level of any holding company, special purpose vehicle or the InvIT, exceeding 15% of the value of the InvIT assets;
- (iii) additional issue of units by the InvIT;
- (iv) details of any credit rating obtained by the InvIT and any change in such rating;
- (v) any issue which requires approval of the Unitholders;
- (vi) any legal proceedings which may have a significant bearing on the functioning of the InvIT and initiation or material update of any litigation in relation to the Trust or any holding company or any special purpose vehicle of the InvIT required to be disclosed under applicable law;
- (vii) notices and results of meetings of Unitholders;
- (viii) any instance of non-compliance with the InvIT Regulations including any breach of limits specified under the InvIT Regulations by the InvIT or any parties to the InvIT;
- (ix) financial results for each quarter or half yearly or annual, if required under the InvIT Regulations, within such time as prescribed by SEBI or under any Applicable Law;
- (x) all related party transactions of an InvIT in accordance with the listing agreement and the InvIT Regulations;
- (xi) with respect to any related party transaction, details of any fees or commissions received or to be received by such related party(ies);
- (xii) valuation reports received by the Investment Manager, within 15 days from the receipt of such valuation reports;
- (xiii) annual report to all unitholders electronically or by physical copies within three months from the end of the financial year, or as may be stipulated;
- (xiv) a half-yearly report to the stock exchanges within 45 days from the end of the half year ending September 30;
- (xv) adequate, accurate, explicit and timely disclosure of any relevant material information to all unitholders, in accordance with the InvIT Regulations, listing agreement and as may be specified by the stock exchanges from time to time;
- (xvi) any material issue that in the opinion of the Investment Manager or Trustee needs to be disclosed to the Unitholders;
- (xvii) declaration or recommendation of distribution;
- (xviii) proposal for buy back of units;
- (xix) issue of debt securities by the InvIT;

- (xx) proposal for voluntary delisting from the stock exchanges;
- (xxi) proposal for winding up of the InvIT;
- (xxii) changes in the sponsor, trustee, investment manager, project manager, auditors or valuer or the compliance officer of the InvIT;
- (xxiii) in case of resignation of the auditor, detailed reasons for resignation of the auditor, as given by the said auditor shall be disclosed by the InvIT as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor;
- (xxiv) in case of resignation of an independent director of the investment manager, disclosure of (i) detailed reasons for the resignation as given by the said director; and (ii) disclosure of a confirmation provided by such independent director that there are no other material reasons other than those provided;
- (xxv) debt restructuring, rescheduling of loans or any change in payment terms in accordance with any statutory or regulatory laws as applicable by the InvIT;
- (xxvi) any material amendment to the indenture of trust or investment management agreement;
- aa) entering into any material agreement not in the ordinary course of business and any amendments to such material agreements;
- bb) discontinuation of RTA;
- cc) any change in investment strategy from the last disclosed investment strategy along with the reasons for the same and any change to the existing right of first refusal or offer granted to InvIT; and
- dd) and defaults by any of the parties to the InvIT (other than as set out in item (h) above), based on their respective materiality policies, if any.

The Investment Manager and/or the Trustee shall provide to the SEBI and to the stock exchanges, where applicable, such information as may be sought by SEBI or by the stock exchanges pertaining to the activity of the InvIT.

F. MATERIALITY OF INFORMATION:

The InvIT shall consider following criteria for determination of materiality of events or information for disclosure, other than for the deemed material information provided above:

- (i) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (ii) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or
- (iii) in case where the criteria specified in sub clause (a) and (b) above are not applicable, an event or information may be treated as being material if it has a bearing of five per cent. of value of the InvIT assets, other than events referred to in Clause D(b) above; or
- (iv) if in the opinion of the authorized person (as described in Clause G), of the Investment Manager and/or the Trustee, the event or information is considered material.

Events which shall be disclosed upon application of materiality criteria as stated above, are including, but not limited to the following:

- (i) Agreements (including loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s)

thereof;

- (ii) Disruption of operations of any one or more projects or a part thereof, of the InvIT due to natural calamity (earthquake, flood, fire, etc.), force majeure or events including strikes, lockouts, etc.;
- (iii) Effect(s) arising out of change in the regulatory framework applicable to the InvIT and any one or more projects of the InvIT;
- (iv) Litigation(s) or dispute(s) or regulatory action(s) in accordance with Applicable Law;
- (v) Giving of guarantees or indemnity or becoming a surety for any third party;
- (vi) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals to the InvIT, any related parties to the InvIT and any one or more projects of the InvIT.

The InvIT shall also submit such information to the designated stock exchange(s) and Unitholders on a periodical basis as may be required under the listing agreements. Further, the InvIT shall disclose all such information as may be specified by SEBI to the designated stock exchange(s), Unitholders and SEBI, in the manner as may be specified by SEBI.

G. GENERAL PROVISIONS:

- (i) The Investment Manager shall provide specific and adequate reply to all queries raised by stock exchanges with respect to any events or information;
- (ii) The Investment Manager may on its own initiative also, confirm or deny any reported event or information to stock exchanges;
- (iii) The Investment Manager shall make disclosures of event or information as specified by the board of directors or any committee thereof, in relation to the InvIT, from time to time;
- (iv) The Investment Manager shall follow uniform and universal dissemination of information to avoid selective disclosure; and
- (v) The Investment Manager's employees shall handle all unpublished price sensitive information on a need to know basis in accordance with the UPSI Policy.

H. TIMELINE FOR DISCLOSURE OF INFORMATION:

- (i) The Investment Manager shall first disclose to stock exchanges of all material events or information as soon as reasonably possible and within such time as may be prescribed by Applicable Law, including any prior intimation of a board or committee meeting in relation to any material events, as may be required under Applicable Law. In case the disclosure is made after such time as may be prescribed by Applicable Law, the Investment Manager shall, along with such disclosures provide an explanation for such delay;
- (ii) Any information shall be given first to the stock exchanges before providing the same to any third party;
- (iii) The Investment Manager shall, with respect to disclosures referred to in this policy make disclosures updating material developments on a regular basis, until such time the event is resolved or closed, with relevant explanations; and
- (iv) The Investment Manager shall disclose on the website of the InvIT, all such events or information which has been disclosed to stock exchanges under this Policy, and such disclosures shall be hosted on the website of the InvIT for a minimum period of five years

and thereafter it shall be preserved in an archival folder of the InvIT maintained offline until it is destroyed upon the expiry of the statutory period for the preservation of such documents.

I. APPROVAL PROCESS:

- (i) All disclosure or dissemination of any material or unpublished price sensitive information (save and except disclosure required to be made under any law or under this policy) on behalf of the InvIT shall be first marked to the chief financial officer or compliance officer, for approval. The chief financial officer or compliance officer shall be severally authorised to determine materiality of an event or information, verifying or denying rumours and for making disclosure to the stock exchanges and on the InvIT website. Any such information shall be made public or published on behalf of the InvIT only if the same is approved by the chief financial officer or compliance officer.
- (ii) The compliance officer shall be authorised to make the disclosure of any material or unpublished price sensitive information duly approved by the chief financial officer or compliance officer, to the stock exchanges, media, or the InvIT's website. The contact details of the compliance officer shall be disclosed to the stock exchanges and on the InvIT website.
- (iii) The chief financial officer or compliance officer shall also make an appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities. Other employees of the Investment Manager and representatives of the Investment Manager receiving any inquiries from the investment community shall not respond to such inquiries other than to refer the inquirer to the chief financial officer or compliance officer.

J. PUBLIC DISCLOSURE OF FORWARD LOOKING INFORMATION:

- (i) All public disclosures of forward-looking information, including projections of future earnings or operational performance, shall be accompanied by appropriate disclaimers. All public disclosures of forward-looking information must be approved by one or more of the following: chief financial officer or compliance officer. Once approved, the forward-looking information may be communicated to the public by the compliance officer.
- (ii) Except to the extent required by Applicable Law, the Investment Manager shall not undertake any obligation to update any forward looking information, and the Investment Manager will not respond, except by means of an appropriate public disclosure as provided in this Policy, to any inquiries or rumours seeking reaffirmation of such information at any date subsequent to the date that such information was originally provided.

The Policy shall not contradict with the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

Notwithstanding the above, this Policy will stand amended to the extent of any change in Applicable Law, including any amendment to the InvIT Regulations, without any action from the Investment Manager or approval of the Unitholders of the InvIT.

Adopted by the board of directors of the Investment Manager on behalf of Bharat Highways InvIT

Certified True Copy

Authorised Signatory

Name: Mohnish Dutta

Designation: Company Secretary