

INDINFRAVIT TRUST

Policy on Determination of Materiality for Disclosures

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Process Owner	Compliance officer

POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURES

I. Background

The IndInfraVIT Trust (the “**Trust**”), being India’s first, privately-placed, listed infrastructure investment trust (“**InvIT**”), is committed to being open and transparent with all stakeholders as well as in ensuring the dissemination of information in a fair and timely manner.

The Trust’s units are listed on the BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”, and together with the BSE, the “**Stock Exchanges**”), while its debentures are listed on **NSE** and **BSE**.

Accordingly, the Trust (acting through its Trustee and/or Investment Manager) is obligated to comply with certain continuous and periodic disclosure obligations under applicable regulations, circulars, and guidelines issued by the Securities and Exchange Board of India (“**SEBI**”), including those obligations prescribed under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended (the “**InvIT Regulations**”).

To achieve the aforesaid purpose, it becomes imperative for the Trust (acting through its Investment Manager) to have institute a policy for determining the materiality of events and/or information that warrant disclosures to its stakeholders. It is in this context that this Policy on Determination of Materiality for Disclosures (the “**Policy**”) is being formulated, adopted, and implemented.

II. Definitions & Interpretation

The words and expressions used and not defined in this Policy, but defined in the InvIT Regulations, or any circulars or guidelines made thereunder, shall have the same meanings respectively assigned to them in those regulations, circulars or guidelines, or any statutory modification or re-enactment thereto, as the case may be.

III. Key Objectives

The key objectives of this Policy are set out below:

- (a) To ensure that the Trust complies with the disclosure obligations that are applicable to it as a privately-placed, listed InvIT;
- (b) To ensure that any material information and/or event in relation to the Trust is disclosed in a timely and transparent manner;
- (c) To ensure that, to the best of the knowledge of the Trust (acting through its Investment Manager), the information and statements made publicly, by, on behalf of, or in respect of, the Trust, are accurate and do not contain any misstatements/misrepresentation;
- (d) To protect the confidentiality of material / price sensitive information within the context of the Trust’s disclosure obligations;

- (e) To provide a framework that supports and fosters confidence in the quality and integrity of the information released by the Trust; and
- (f) To ensure uniformity in the Trust's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

IV. Type of Information

The information covered by this Policy shall include "information related to the Trust's business, operations, or performance, which has a significant effect on securities investment decisions" (hereinafter referred to as "**Material Information**") that the Trust is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

Notwithstanding anything to the contrary, it is clarified that all such disclosures, intimations, filings, and/or submissions as are mandatorily required to be made by or on behalf of the Trust in terms of the InvIT Regulations, would continue to be required to be made in such form and manner, and within such time-periods as prescribed.

V. Person(s) Responsible for Disclosure

The Board of Directors of the Investment Manager of the Trust has authorised the Compliance Officer (Authorised Person), in consultation with the Chief Executive Officer and the Chief Financial Officer, to determine the materiality of an event or information and to make appropriate disclosure on a timely basis.

The Authorized Person is empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as he/she may deem fit.

The Authorized Person shall have the following powers and responsibilities for determining the material events or information:

- (a) To review and assess an event or information that may qualify as 'material' and consequently, require disclosure, on the basis of facts and circumstances prevailing at a given point in time;
- (b) To determine the appropriate time at which the disclosures are to be made to the Stock Exchanges based on an assessment of actual time of occurrence of an event or information;
- (c) To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations;
- (d) To consider such other events or information that may require disclosure to be made to the Stock Exchanges which are not explicitly defined in the InvIT Regulations and determine the materiality, appropriate time, and contents of disclosure for such matters; and

- (e) To disclose all events or information with respect to the SPVs and the Parties to the InvIT that are material in the context of the Trust.

VI. Guidelines for Assessing Materiality

Materiality of any information/event will be determined on a case-to-case basis, depending on the facts and the circumstances pertaining to the relevant information/event.

Qualitative Criteria:

The following qualitative criteria will be applicable for determination of materiality of any information or event in respect of the Trust (and its SPVs):

- (a) The omission of an event or information which is likely to:
 - (i) result in a discontinuity or alteration of an event or information already available publicly in respect of the Trust (and its SPVs); or
 - (ii) result in significant market reaction if the said omission came to light at a later date.
- (b) In cases where the criteria specified in sub-clauses (i) and (ii) of clause (a) above is not applicable, if in the opinion of the Board of Directors of the Investment Manager, the information/event ought to be disclosed.

Quantitative Criteria:

The following quantitative criteria will be applicable for determination of materiality of any information or event:

- (a) An event or information, including litigation or regulatory action, would be considered material if the impact of the event, exceeds the lower of the following:
 - (i) 5.00% of the consolidated turnover of the Trust; and
 - (ii) 2.00% of the Enterprise value of the Trust.
- (b) The above pecuniary thresholds shall be determined on the basis of the consolidated audited financial statements of the Trust for the last audited financial year and the valuation report of the Trust as at the end of the last financial year.
- (c) Only such impact which is direct (not derivative), reasonably perceivable (not remote), quantifiable and having a short term horizon of less than two-years shall be considered.

The Parties to the InvIT and their Respective Associates:

Pursuant to Regulation 7(d) of the InvIT Regulations, read together with the code of conduct specified under Schedule VI thereof, the 'parties to the InvIT' (namely, the Investment Manager, the Trustee, the Sponsor, and the Project Manager(s)) are obligated to make adequate, accurate, explicit, and timely disclosure of relevant material information to all unitholders, the Stock Exchanges and SEBI in accordance with the InvIT Regulations and as may be specified by the Stock Exchanges from time to time.

Each of the 'parties to the InvIT' is a distinct legal entity, having its own board of directors, experienced management team and adopted corporate governance policies/procedures. Further, the relevant 'parties to the InvIT' are/may themselves be listed entities, and thus, obligated under applicable law to make disclosures in respect of material events and information to the stock exchanges on which their respective securities are listed. On an equally important note, as a result of the broad definition of the term 'associate' under Regulation 2(1)(b) of the InvIT Regulations, the respective associates of the 'parties to the InvIT' comprise a large number of entities whose business and activities have little to no bearing upon the business and activities of the Trust and its SPVs.

Based on the foregoing, with a view to ensure that any information conveyed to the Trust for onward dissemination is actually relevant and material, it is considered prudent and necessary to enable as well as require each of the 'parties to the InvIT' to undertake its own thorough assessment of any events and/or information pertaining to itself and its respective associates, and determine the materiality of each such event and/or information before conveying the same to the Trust. Whilst undertaking the aforesaid assessment, the relevant 'party to the InvIT' would be required to apply the following criteria:

- (a) ***For the Parties to the InvIT:*** In respect of any event or information, including litigation and regulatory action, relating to such 'party to the InvIT' itself, whether such event or information:
 - (i) is considered/deemed 'material' as per its own corporate governance policies/procedures, including any policy for determination of materiality of events and information adopted in compliance with applicable law; or
 - (ii) may adversely impact the ability of such 'party to the InvIT' to comply with its obligations and responsibilities towards the Trust and/or its SPVs under the InvIT Regulations and the InvIT Documents; or
 - (iii) may have a significant bearing on the activities of the Trust and/or its SPVs.
- (b) ***For the Respective "Associates" of the Parties to the InvIT:*** In respect of any event of information, including litigation and regulatory action, relating to its respective associate(s), whether such event or information:
 - (i) is considered/deemed 'material' to the relevant 'party to the InvIT' as per the corporate governance policies/procedures adopted by such 'party to the

InvIT', including any policy for determination of materiality of events and information adopted in compliance with applicable law; or

- (ii) may adversely impact the ability of the relevant 'party to the InvIT' to comply with its obligations and responsibilities towards the Trust and/or its SPVs under the InvIT Regulations and the InvIT Documents; or
- (iii) may have a significant bearing on the activities of the Trust and/or its SPVs.

For the avoidance of doubt, it is clarified that since the InvIT Regulations mandate the disclosure of information in relation to the Trustee alone (and not in respect of its 'associates'), the criteria specified under sub-clause (b) herein above would not be applicable to the Trustee.

Based on the foregoing, disclosures in respect of an event or information, including any litigation and regulatory action, relating to any of the 'parties to the InvIT' and their respective associates, wherever applicable, would be made by the Trust without any further application of any materiality criteria if the relevant 'party to the InvIT' has determined such event or information to be material based on the criteria specified above.

VII. Guidance on Timing of an Event or Information

The Trust (acting through the Investment Manager) may be confronted with the question as to when an event/information can be said to have occurred. In certain instances, the answer to the above question would depend upon the stage of discussion, negotiation, or approval, and in other instances, where no such discussion, negotiation or approval is required (for instance, in case of natural calamities, disruptions etc), the answer to the above question would depend upon the timing of when the Trust (acting through the Investment Manager) became aware of the event/information.

In the former, the events/information (based on the facts and circumstances), can probably be said to have occurred upon receipt of approval of Board of Directors of the Investment Manager of the Trust. In the latter, the events/information can be said to have occurred when the Trust (acting through the Investment Manager) becomes aware of the events/information, or as soon as, an officer of the Investment Manager of the Trust has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Disclosure(s) as required under the InvIT Regulations will be made within 24 hours or as soon as reasonably practicable after the conclusion of the Board Meeting of the Investment Manager of the Trust, or from the time that the event occurred, or from the time that an officer of the Investment Manager of the Trust became aware of the information/event, as the case may be.

VIII. Obligations of Stakeholders and Authorized Person for Disclosure

Events and/or Information in relation to the Trust and/or the SPVs:

- (a) Any event or information that may be material to the Trust and/or the SPVs is required to be immediately reported by the employee(s) of the Investment Manager and/or the SPVs to the Authorized Person, along with adequate supporting data/information, to ensure prompt assessment;
- (b) The Authorized Person will then ascertain the materiality of such event(s) or information based on the guidelines specified in this Policy; and
- (c) On completion of the assessment, the Authorized Person shall, if required, make appropriate disclosure(s) to the Stock Exchanges.

Events and/or Information in relation to the Parties to the InvIT and their Respective Associates:

- (a) Any event or information, including litigation and regulatory action, relating to any of the 'parties to the InvIT' (namely, the Investment Manager, the Trustee, the Sponsor, and the Project Manager(s)) and their respective associates (other than the associates of the Trustee), wherever applicable, which has been determined to be 'material' by the relevant party to the InvIT as per the criteria specified herein above, is required to be reported by such party to the InvIT to the Authorized Person, along with adequate supporting data/information, within 24 hours or as soon as reasonably practicable after the conclusion of the board meeting of the relevant 'party to the InvIT'/its associate(s), or from the time that the event occurred, or from the time that an officer of the relevant 'party to the InvIT' became aware of the information/event, as the case may be, so as to ensure prompt disclosure; and
- (b) The Authorized Person shall make the necessary disclosure(s) to the Stock Exchanges without applying any further materiality criteria.

IX. Periodic Reports

Pursuant to Regulation 23 of the InvIT Regulations, the Investment Manager is obligated to prepare and submit half-yearly and annual reports, containing certain prescribed disclosures, to the Stock Exchanges and the unitholders. The provisions of this Policy shall also be applicable whilst determining the materiality of any events and/or information required to be disclosed in such periodic reports.

X. Policy Review

The Authorized Person may review the Policy from time to time. Any material changes to the Policy will need the approval of the Board of Directors of the Investment Manager of the Trust.

In the event of any inconsistency between the provisions of this Policy and the InvIT Regulations, the provisions of the InvIT Regulations shall prevail. Further, any

amendments to the InvIT Regulations shall, *mutatis mutandis*, be deemed to have been incorporated in this Policy.

XI. Website

This Policy shall be disclosed on the website of the Trust.

Further, the Trust shall disclose all such events or information which have been disclosed to Stock Exchange(s) on its website, and such disclosures shall continue to be made available on the website of the Trust for a period of not less than 8 years.

XII. Contact Details

Any questions or clarifications about this Policy or disclosures made by the Trust should be referred to the Compliance Officer, who is in charge of administering, enforcing and updating this Policy.

Ms. Rekha NB
Compliance Officer
LTIDPL IndvIT Services Limited
(the Investment Manager of the IndInfravit Trust)
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South Phase, SIDCO Industrial Estate, Guindy,
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XIII. Policy Implementation

The Board of Directors of the Investment Manager of the Trust is responsible for approving and overseeing implementation of this Policy.

XIV. Compliance Responsibility

Ensuring compliance with this Policy shall be the responsibility of the Compliance Officer of the Investment Manager of the Trust, who shall have the power to ask for any information or clarifications from the management in this regard.