



DISTRIBUTION POLICY

CURRENT VERSION APPROVAL DATE	Sunday, September 14, 2025
PREVIOUS VERSION APPROVAL DATE	Tuesday, April 22, 2025 Tuesday, February 27, 2024 Saturday, May 13, 2023

DISTRIBUTION POLICY

1. POLICY

This Policy sets out the guidelines for payment and accrual of distribution, including distribution of net distributable cash flows by the Trust. Further, the InvIT Regulations prescribe certain conditions in relation to distribution to be made to the Unitholders of an infrastructure investment trust including the frequency of distributions which is proposed to be in accordance with the provisions of the InvIT Regulations. Accordingly, Maple Infra InvIT Investment Manager Private Limited, the investment manager to the Trust, has formulated this Policy.

- 1.1. **“Applicable Law”** shall mean any applicable law, by-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), compulsory guidance, rule, order or decree of any court or any arbitral authority, or directive, delegated or subordinate legislation in any applicable jurisdiction, in India or outside India, including the Indian Trusts Act, 1882, the InvIT Regulations, the Foreign Exchange Management Act, 1999 and rules and regulations thereunder, and the applicable guidelines, instructions, rules, communications, circulars and regulations issued by any governmental authority, in each case, having the effect of law over the concerned person, their operations, or the transactions contemplated under this Policy.
- 1.2. **“Control”** (including, with its correlative meanings, the terms **“Controlled by”** or **“under common control with”**), shall have the meaning construed under the InvIT Regulations, as amended from time to time;
- 1.3. **“Distributable Income”** shall mean the net distributable cash flows of the Trust, calculated subject to, and in accordance with this Policy and any other conditions including restricted payment conditions specified under financing documents entered into by the Trust, its Holding Companies and SPVs, as per the formula mentioned in **Annexure 1**.
- 1.4. **“Holding Company”** or **“Holdco”** shall have the meaning given to such term under the InvIT Regulations.
- 1.5. **“Investment Manager”** means Maple Infra InvIT Investment Manager Private Limited.
- 1.6. **“InvIT Regulations”** means the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, and the circulars, notifications, guidelines and clarifications issued thereunder, each as amended.



- 1.7. **“Policy”** means this distribution policy, as amended from time to time in accordance with the provisions hereof.
- 1.8. **“Project Manager”** means Maple Highway Project Management Private Limited.
- 1.9. **“SPV”** shall have the meaning ascribed to such term under the InvIT Regulations.
- 1.10. **“Trust”** means Indian Highway Concessions Trust, being the infrastructure investment trust registered under the InvIT Regulations.
- 1.11. **“Trust Assets”** means the assets owned by the Trust, whether directly or through an SPV or a Holding Company, and shall include all rights, interests and benefits arising from and incidental to ownership of such assets.
- 1.12. **“Trustee”** means Axis Trustee Services Limited.
- 1.13. **“Units”** means the beneficial interest in the Trust.
- 1.14. **“Unitholders”** means any person who owns the units of the Trust.

2. TERMS OF THE DISTRIBUTION

- 2.1. The Trust shall declare and distribute at least 90% of the Distributable Income to the Unitholders, *inter alia*, in form of interest, dividend and/or repayment of capital, subject to InvIT Regulations and any statutory deductions/withholding required under tax laws or other applicable law. Cash flows generated by all Trust assets shall be considered. Up to 10% of the Distributable Income (to be computed by taking together the retention done at SPV/Holdco level and Trust level) may be set aside for any purpose that the Investment Manager may deem fit, including for the purpose of acquisition of future SPVs, subject to the InvIT Regulations. Distributions shall be made post compliance of the covenants of all the financing agreements of the Trust, subject to InvIT Regulations and applicable law.
- 2.2. In order to calculate the cash flow received from SPV, the NDCF computed at SPV/Holdco level for a particular period is to be considered, even if the actual cashflows from SPV/Holdco to InvIT has taken place post that particular period, but before finalization and adoption of accounts of the InvIT.
- 2.3. The exact percentage of Distributable Income to be distributed and the retention of up to 10% of the Distributable Income (as mentioned in Clause 2.1 above, and such amount, the **“Retained Amount”**) shall be determined by the board of the Investment Manager from time to time depending on the requirements of the Trust. While determining the amount of Distributable Income, the board of the Investment Manager shall take into consideration relevant factors including -
- the changes in economic conditions;



- the requirements of the financial covenants;
- the Trust's business and financial position

- 2.4. The Retained Amount shall not be accumulated over a period exceeding any 4 consecutive quarters. If the acquisition of a future project SPV is not completed during these 4 consecutive quarters or if the Retained Amount is not utilized for the purpose it was set aside by the Investment Manager, then the amount set aside in the Retained Amount shall be distributed immediately in accordance with the InvIT Regulations
- 2.5. The Trust shall distribute the Distributable Income to the Unitholders at least once every financial year. The Distributable Income shall be distributed by the Trust within five working days from the record date or such other period as prescribed in the InvIT Regulations, in accordance with the InvIT Regulations.

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 or such other period as prescribed in the InvIT Regulations, in accordance with the InvIT Regulations.

- 2.6. In terms of the InvIT Regulations, the SPVs shall distribute not less than 90% of its net distributable cash flows to its respective Holdco or the Trust, as applicable, in the proportion of its holding in the SPV, *inter alia*, in form of interest, dividend and/or repayment of capital, subject to applicable provisions of the Companies Act, 2013 or Limited Liability Partnership Act, 2008 or any other applicable law. This distribution shall be made post, *inter alia*, compliance of the covenants of the financing agreements of all the respective SPVs, subject to InvIT Regulations and applicable law.
- 2.7. Unless otherwise prescribed under the InvIT Regulations, with regard to the cash flows received by the Holdco from the underlying SPVs, 100% of such cash flows shall be distributed to the Trust. Unless otherwise prescribed under the InvIT Regulations, with respect to the cash flows generated by the Holdco on its own, not less than 90% of such net distributable cash flows shall be distributed by the Holdco to the Trust. This distribution shall be made post, *inter alia*, compliance of the covenants of all the financing agreements of the Holdco, subject to InvIT Regulations and applicable law.
- 2.8. If the Distributable Income is not distributed as per clause 2.5 above, then the Investment Manager shall be liable to pay interest to the Unitholders at the rate as prescribed under InvIT Regulations, till the time the distribution is made.
- 2.9. Interest referred to in Clause 2.8 shall not be recovered by the Investment Manager in the form of fees or any other form payable to the Investment Manager by the Trust.



- 2.10. Distributions shall be made in Indian Rupees.
- 2.11. Distribution shall be made pro rata to the number of Units held by each Unitholder of the Trust, with each Unitholder receiving its corresponding amount of distribution in Indian Rupees.
- 2.12. Distributions shall be made from the monies received by the Trust from SPVs and Holdco.
- 2.13. Any amount remaining unclaimed or unpaid out of the distributions declared by a InvIT in terms of the InvIT Regulations, shall be transferred to the 'Investor Protection and Education Fund' constituted by SEBI in terms of section 11 of the Securities and Exchange Board of India Act, 1992, as amended, in such manner as may be specified by SEBI.
- 2.14. Surplus cash available in Trust/HoldCos/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 HoldCo/SPV on acquisition of such HoldCo/SPV by InvIT or
 - (iii) Any other reason, excluding if such surplus cash is available due to any debt raise could be considered for distribution by the HoldCo/SPV to the Trust/HoldCo, or by the 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 (ii) above, if an acquisition of such SPV was funded by external debt, then surplus cash available with such SPV should first be used to repay such external debt. After such debt repayment, remaining surplus, if any, can be used for distribution.
- 2.15. Any restricted cash (disclosed as such) should not be considered for NDCF computation by the SPV or InvIT (e.g. unspent CSR balance for any year deposited in a separate account as per Companies Act which will be utilized in subsequent years, DSRA reserve, major maintenance reserve etc).
- 2.16. The 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.
- 2.17. Further, it is expressly provided that no Trust or SPVs can distribute any cashflows by obtaining external debt, except to the extent clarified in Clause 2.16 and 2.18 and the InvIT Regulations (this will exclude any working capital / OD facilities obtained by Trust/ SPVs as part of Treasury management / working capital purposes as long as they are squared off within the quarter).



2.18. Further, it is also clarified that proceeds from sale of infrastructure investments, infrastructure assets or shares of SPVs or Investment Entity 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 Clause 2.17.

2.19. Cash flows received from HoldCos/SPV's / Investment entities which represent distributions of NDCF computed as per relevant framework at the Trust and/or HoldCo level for further distribution to Unitholders shall exclude any such cash flows used by the Trust and/or HoldCo for onward lending to any other SPVs / Investment entities to meet operational / interest expenses or debt servicing of such entities.

2.20. 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.

2.21. Debt repayment at Trust level will not be reduced from NDCF to the extent such debt is refinanced at the HoldCo/SPV level and such proceeds from refinancing have been transferred by the HoldCo/SPV to the Trust for such debt repayment.

Similarly, debt repayment at HoldCo/SPV level will not be reduced from NDCF to the extent such debt is refinanced at the Trust level and such proceeds from refinancing have been transferred by the Trust to the HoldCo/SPV for such debt repayment.

2.22. The Investment Manager shall ensure the following while making distributions:

- (a) The period of making distributions for the Trust shall be yearly basis and shall be followed consistently.
- (b) The frequency of distributions for MIT shall be once for the financial year. Further, for each distribution, it should be ensured that cash flows from



all assets, whether held by the Trust or any of the underlying SPVs or HoldCos, are being distributed together.

- (c) The first distribution (annually) 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.

3. DISTRIBUTION FROM DIVESTMENT OF ANY SPV

- 3.1. Subject to Clause 3.2 below, the Investment Manager shall distribute proceeds from divestment of any SPV in accordance with the provisions of Clause 2 above, to the extent applicable.
- 3.2. In the event any infrastructure assets is sold by the Trust or any SPV or if the equity shares or interest in any SPV or HoldCo is sold by the Trust, then in accordance with the InvIT Regulations: (a) if the Trust proposes to re-invest the sales proceeds into any other infrastructure asset, it shall not be required to distribute any sales proceeds to the Unitholders or the Trust; and (b) if the Trust proposes not to invest the sales proceeds into any other infrastructure asset within a period of one year, it shall be required to distribute the same in accordance with the InvIT Regulations.

4. IN-SPECIE DISTRIBUTION

Subject to the provisions of Applicable Law, the Investment Manager, with the Trustee's consent, may at any time during the life of the Trust make in-specie distribution of the Trust Assets.

5. DISTRIBUTION ON DISSOLUTION

In the event of dissolution or winding-up of the Trust, all of the Trust Assets or the proceeds therefrom shall be distributed or applied in the following order of priority:

- (i) first, towards payment/repayment in full of all amounts due to the lenders of the Trust;
- (ii) second, towards payment of any fees and amounts due to the Investment Manager;
- (iii) third, towards payment of any fees and amounts due to the project manager;
- (iv) fourth, towards payment of other debts and liabilities of the Trust, including statutory dues;



- (v) fifth, towards the setting up of any reserves which the Trustee, with the consent of the Investment Manager, or the authority in-charge of the winding up of the affairs of the Trust may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Trust; and
- (vi) sixth, to the Unitholders pro-rata to their unitholding in accordance with the terms of the Trust Documents and Applicable Law.

6. RESPONSIBILITY FOR COMPLIANCE

The Chief Financial Officer of the Investment Manager shall have overall responsibility for implementing this Policy and shall take internal/external approvals wherever necessary.

7. REVIEW AND AMENDMENT

- 7.1. The Policy shall be reviewed annually or as may be otherwise required to ensure that it meets the objectives of the applicable laws and remains effective.
- 7.2. In case of any change in applicable laws governing this Policy, not being consistent with the terms laid down under this Policy, the Investment Manager shall, as soon as possible, cause an amendment to the Policy to bring it in line with the applicable laws, and until such amendment, such change in applicable law shall prevail and this Policy shall stand deemed amended from the effective date of such change in applicable law, including any amendment to the InvIT Regulations, without any action from the Investment Manager or approval of the Unitholders.
- 7.3. 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 50% of the total votes cast, or such other threshold as may be prescribed under the InvIT Regulations and other Applicable Law.

ANNEXURE 1

Method of Calculation of Distributable Income:

Subject to compliance with Applicable Law, the Distributable Income shall be calculated in accordance with the methodology provided below.

Calculation of the Net Distributable Cash Flows at the HoldCo/SPV level:

I. Calculation of net distributable cash flows at the HoldCo/SPV level:

Particulars
Cash flow from operating activities as per Cash Flow Statement of HoldCo/ SPV
(+) Cash Flows received from SPV's which represent distributions of NDCF computed as per relevant framework (refer paragraphs 2.2 and 2.19) (relevant in case of HoldCos)
(+) 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 SPVs or Investment Entity adjusted for the following <ul style="list-style-type: none"> • Applicable capital gains and other taxes • Related debts settled or due to be settled from sale proceeds • Directly attributable transaction costs • Proceeds reinvested or planned to be reinvested as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations
(+) Proceeds from sale of infrastructure investments, infrastructure assets or sale of shares of SPVs 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 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 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 Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the 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 (refer paragraph 2.16)
(-) any capital expenditure on existing assets owned / leased by the SPV or Holdco, to the extent not funded by debt / equity or from reserves created in the earlier years (refer paragraph 2.20)
NDCF for HoldCos/SPVs

II. Calculation of net distributable cash flows at the Trust level:

Particulars
Cashflows from operating activities of the Trust
(+) Cash flows received from SPV's / Investment entities which represent distributions of NDCF computed as per relevant framework (refer paragraphs 2.2 and 2.19)
(+) Treasury income / income from investing activities of the 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 SPVs/Holdcos or Investment Entity adjusted for the following <ul style="list-style-type: none"> • Applicable capital gains and other taxes • Related debts settled or due to be settled from sale proceeds • Directly attributable transaction costs • Proceeds reinvested or planned to be reinvested as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations
(+) Proceeds from sale of infrastructure investments, infrastructure assets or sale of shares of 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

<p>(-) 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</p>
<p>(-) 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)</p>
<p>(-) 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 Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the 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 (refer paragraph 2.16)</p>
<p>(-) 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 paragraph 2.20)</p>
<p>NDCF at Trust Level</p>