



**ROADSTAR INFRA INVESTMENT TRUST**

**Related Party Transactions Policy**

## ROADSTAR INFRA INVESTMENT TRUST | POLICY ON RELATED PARTY TRANSACTIONS

### A. Preamble

The board of directors of Roadstar Investment Managers Limited (the “**Board**”), the investment manager to Roadstar Infra Investment Trust (the “**Investment Manager**”), has adopted the following policy and procedures (the “**Policy**”) with respect to related party transactions of the Trust (as defined below) and conflict of interest situations, in terms of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time (the “**InvIT Regulations**”). The Board may amend the Policy from time to time, subject to applicable law.

The Policy is adopted to regulate the transactions of the Roadstar Infra Investment Trust (the “**Trust**”) with its Related Parties (as defined below), based on the laws and regulations applicable to the Trust and best practices.

### B. Definitions

- (i) “**Act**” means the Companies Act, 2013, as amended.
- (ii) “**Associate**” of any person shall have the meaning ascribed to such term under the InvIT Regulations.
- (iii) “**Audit Committee**” means the audit committee constituted by the Board pursuant to Section 177 of the Act and in compliance with the applicable provisions of the InvIT Regulations.
- (iv) “**Director**” means a director on the Board.
- (v) “**Investment Manager**” means Roadstar Investment Managers Limited, the investment manager of the Trust.
- (vi) “**Project Manager**” means Elsamex Maintenance Services Limited, the project manager of the Trust.
- (vii) “**Related Party of the Trust**”/ “**Related Parties**” shall be defined under the Companies Act, 2013, as amended or under applicable accounting standards and shall also include (a) the Sponsor and its sponsor group (as defined under the InvIT Regulations), the Investment Manager, the Project Manager and the Trustee; and (b) any promoters, directors and partners of persons mentioned in (a) above.
- (viii) “**Related Party Transactions**” shall mean any transactions between the Trust and any Related Party of the Trust. Further, any transaction between the Trust and one or more infrastructure investment trusts having a common investment manager or sponsor, or a transaction where any of the Investment Manager or the Sponsor is an Associate of the investment manager or sponsor of the other infrastructure investment trust(s), shall be deemed to be related party transactions for such parties.
- (ix) “**Sponsor**” shall mean Roadstar Infra Private Limited, the sponsor of the Trust.

- (x) “**SPV**” shall have the meaning ascribed to such term under the InvIT Regulations.
- (xi) “**Trustee**” means Axis Trustee Services Limited, the trustee to the Trust.
- (xii) “**Unit**” shall mean an undivided beneficial interest of the InvIT, and such Units together represent the entire beneficial interest of the InvIT.
- (xiii) “**Unitholder**” means any person who owns Units of the Trust.

### **C. Objectives of the Policy**

- (i) The objective of the Policy is to ensure proper approval, supervision and reporting of the transactions between the Trust and its Related Parties.
- (ii) In accordance with the InvIT Regulations, the Investment Manager will ensure that all future Related Party Transactions shall be:
  - (a) on an arm’s length basis;
  - (b) in accordance with the relevant accounting standards;
  - (c) in the best interest of the Unitholders;
  - (d) consistent with the strategy and investment objectives of the Trust; and
  - (e) in compliance with applicable law.

### **D. Review and approval**

- (i) The Investment Manager will ensure that an approval from the Unitholders shall be obtained prior to entering into any transaction after the initial public offer, with any Related Party, in accordance with Regulation 22 of the InvIT Regulations:
  - (a) if the total value of all the Related Party Transactions entered in a financial year, pertaining to acquisition or sale of assets, whether directly or through an SPV, or investments into securities, exceeds 5% of the value of the assets of the Trust or any other threshold prescribed by the InvIT Regulations,
  - (b) if the value of the funds borrowed from Related Parties exceeds 5% of the total consolidated borrowings of the Trust and the SPVs, or any other threshold prescribed by the InvIT Regulations.
- (ii) As a general rule, the Investment Manager must demonstrate to the Board that future Related Party Transactions satisfy the criteria set out in Paragraph C (ii) at the time of recommending the same for the approval of the Board.
- (iii) The Investment Manager will maintain a register to record all Related Party Transactions entered into by the Trust and the basis on which they are entered into.

- (iv) The Investment Manager will establish an internal control system so as to ensure that all future Related Party Transactions are compliant with the InvIT Regulations and applicable accounting standards. The Investment Manager shall also ensure compliance with any additional guidelines issued in this regard by Securities and Exchange Board of India and other relevant regulatory, statutory or governmental authorities from time to time.
- (v) In addition to any other requirement that may be prescribed in terms of the InvIT Regulations or other applicable laws, all Related Party Transactions to be entered into will be reviewed, approved and/or ratified by the Audit Committee.
- (vi) The Audit Committee may grant omnibus approval for Related Party Transactions. Each such omnibus approval shall be valid for a period not exceeding one year from the date of such approval, and Related Party Transactions undertaken after the expiry of such period shall require fresh approval of the Audit Committee. The Audit Committee shall review, on a periodic basis, the details of Related Party Transactions entered into by the Trust pursuant to the omnibus approval.
- (vii) The Board shall review at least quarterly in each financial year the Related Party Transactions entered into during such quarter to ascertain that the guidelines and procedures established to monitor the Related Party Transactions have been complied with. The review by the Board may include the examination of the nature of the transaction and its supporting documents or such other data as may be deemed necessary by the Board.
- (viii) While considering a Related Party Transaction, any director on the Board who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion, review and voting on the Related Party Transaction. Further, while considering voting on a Related Party Transaction which requires approval of the Unitholders, voting by any person who is a related party in such transaction as well as Associate of such person(s) shall not be considered on the specific issue.
- (ix) The Investment Manager shall ensure that the profits from Related Party Transactions have arisen from legitimate business transactions.

#### **E. Disclosure and Reporting**

- (i) The Investment Manager shall submit to the Trustee, quarterly reports on the activities of the Trust, including the status of compliance with the requirements specified under the InvIT Regulations in relation to Related Party Transactions, within such time as may be prescribed in the InvIT Regulations and applicable law.
- (ii) Related Party Transactions shall be disclosed: (a) in the placement memorandum with respect to any such transactions entered into prior to the offer of units and any such proposed transactions subsequent to the offer; and (b) to the stock exchanges and the Unitholders periodically, in accordance with the InvIT Regulations and the agreements to be entered into with the stock exchanges in relation to the listing of the Units. The Investment Manager shall adequately disclose the details of any fees or commissions received or to be received by such Related Party(ies), with respect to any Related Party Transaction, to the stock exchanges.

- (iii) If any Related Party has an interest in the business which competes or is likely to compete (directly or indirectly) with the activities of the Trust, the placement memorandum shall disclose: (a) details of such business including an explanation as to how such business shall compete with the Trust, (b) a declaration that Related Party shall perform its duty in relation to the Trust independent of its related business, (c) declaration as to whether acquisition of such business by the Trust is intended and its details, if applicable.
  - (iv) In accordance with the InvIT Regulations, the annual report to be submitted by the Investment Manager to all Unitholders, electronically or by physical copies, and to the stock exchanges within three months from the end of the financial year, shall contain, inter alia, details of all Related Party Transactions during the year, value of which exceeds five per cent of value of the Trust assets; and details of monies lent by the Trust to the SPV it has investment in.
- F.** The Board may specify any additional guidelines with respect to Related Party Transactions in compliance with applicable law, as it deems fit.
- G.** 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 Trust.

<b>Date Adopted</b>	<b>January 25, 2024</b>
<b>Date Last Updated</b>	-