

ORIENTAL INFRATRUST

POLICY FOR DETERMINING QUALIFICATIONS, POSITIVE
ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR AND
CRITERIA FOR APPOINTMENT OF UNITHOLDER
NOMINEE DIRECTOR/ INVESTOR DIRECTOR AND
REMUNERATION OF DIRECTORS, SENIOR
MANAGEMENT PERSONNEL AND EMPLOYEES

1. INTRODUCTION

- The primary objective of this policy is to provide a framework and set standards for identifying qualifications and positive attributes for the Directors and Senior Management Personnel.
- The policy aims at providing framework for evaluating the performance of all Directors.
- The policy aims to determine the criteria for independence of the Independent Directors.
- The Policy aims to determine the criteria for remuneration of Directors including Independent Directors/Senior Management Personnel/Employees.
- The policy also aims to achieve a balance of merit, experience and skills amongst its Directors and Senior Management Personnel.
- The policy also outlines the guiding principles as prescribed by SEBI (InvIT) Regulations, 2014 as amended from time to time and circular(s) issued thereunder for the appointment of Unitholder Nominee Directors/ Investor Directors on the Board of Investment Manager by the eligible unitholders of the Trust.

2. SCOPE OF THE POLICY

This policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying and evaluating persons who are qualified to become Directors and Senior Management Personnel and to determine the independence in case of Independent Directors of the Company.

3. TERMS AND REFERENCES

In this Policy, the following terms shall have the following meanings:

- **“Director”** means a director appointed to the Board of the Company in accordance with the applicable law & InvIT documents.
- **“Eligible Unitholder(s)”** shall mean unitholder(s) holding ten (10) percent or more of the total outstanding units of the Trust, either individually or collectively.
- **“Nomination and Remuneration Committee”** means the Committee constituted by Board of OIT Infrastructure Management Limited (Investment Manager of Oriental InfraTrust) in accordance with the provisions of SEBI (InvIT) Regulations, 2014 read with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable laws.
- **“Independent Director”** means a director referred under SEBI (InvIT) Regulations, 2014 and any other applicable laws and regulations.
- **“Company”** or **“IM”** means OIT Infrastructure Management Limited.
- The term **“Senior Management”** shall mean the officers and personnel of the Investment Manager who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the Company Secretary/Compliance Officer and the Chief Financial Officer.
- **“Trust”** means Oriental InfraTrust.
- **“Unitholder Nominee Director/ Investor Director”** shall mean a non-independent director nominated by Eligible unitholder(s) on the Board of Directors of the Investment Manager.

4. POLICY

4.1 Qualifications, Positive Attributes and Criteria for Appointment of Director and Senior Management Personnel:

The Proposed candidate shall have following qualifications, positive attributes and criteria for appointment:

- General understanding of the Company’s business dynamics, global business;
- Shall have good educational and professional background;
- Shall have expertise in specific function;
- Shall have industry experience;
- Demonstrable leadership skills;
- Standing in the profession;
- Shall have personal and professional ethics, integrity and values;
- Shall have commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities

effectively;

- Rendering independent, unbiased opinion on the resolutions at the meetings.
- Shall not have any political affiliation.
- Anticipated contribution / value addition to the growth of the organization;
- Safeguarding interest of whistle-blowers under vigil mechanism;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel.

Further, in case of appointment of any Non-executive Directors, the appointment shall be made as per the Nomination and Remuneration Policy and as per InvIT documents.

In case of appointment of Senior Management, the appointment shall be referred by KSAC to the NR Committee and further NR committee shall recommend to the Board of Directors for approval in accordance with the applicable law and InvIT documents.

In case of other employees, the appointment shall be made as per HR policies.

4.2 Qualifications, Positive Attributes and Criteria for Appointment of Independent Director and Their Independence:

Apart from the above, NR Committee shall consider following qualifications, positive attributes and criteria for appointment of Independent Director and their Independence:

- Shall possess a Director Identification Number (DIN);
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his/her written consent to act as a Director;
- Shall not be in the Board of any other InvIT;
- Continuity for the term of 3 years shall be preferred.
- Evaluating existing skill, knowledge and expertise of existing Board of Directors to determine the role and capabilities required for the proposed Independent Director.
- Shall assess the independence of Directors at the time of appointment/reappointment and the Board shall assess the same annually. The Board shall re- assess determinations of independence when any new interests or relationships are disclosed by the Director.
- Shall undertake the criteria of Independence as laid down under the provisions of the Companies Act, 2013 read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.
- Shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.
- Any other requirements/criteria as may be prescribed, from time to time, under the SEBI (InvIT) Regulations, 2014, Companies Act, 2013 read with Rules thereunder along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

4.3 Evaluation Criteria considering above for screening and shortlisting of Independent Directors

In case of proposed appointment of any Independent Director, NR committee shall undertake following process:

- Prepare an evaluation sheet (attached as **Annexure-1**) to determine the skill set, expertise, knowledge of the existing Board of Directors.
- Identify the area/role to be short of in the existing Board of Directors.
- Consider Board diversity to identify any gap to be filled to ensure diversity.
- Prepare Screening/Rating sheet for the proposed appointment, attached as **Annexure-2**.
- Consider all the recommendation for the candidates received from IM, other directors and other Independent Directors.
- While screening and shortlisting the candidates, the NR committee may fill the form attached as Annexure-2 and give the scores and rating as per the candidate capabilities matching with the preferred capabilities identified in the above evaluation sheet.
- Shortlist from the candidates screened and recommend to the Board for appointment.

Further, for any administrative/professional advice for achieving the above, the NR Committee may take any assistance from any independent consultant/agency.

Further, NR Committee may authorise any member of IM team to provide necessary information for any other administrative action required in this regard.

4.4 Qualifications, Positive Attributes and Criteria for Appointment of Unitholder Nominee Director/ Investor Director

Eligible Unitholder(s) shall be entitled to nominate only one Unitholder Nominee Director/ Investor Director. If the right to nominate one or more directors on the Board of Directors of the Unitholder Nominee Director/ Investment Manager is available to any entity (or to an associate of such entity) in the capacity of shareholder of the Investment Manager or lender to the Investment Manager or the Trust InvIT (or its Hold Co(s) or SPVs), then such entity in its capacity as unitholder, shall not be entitled to nominate or participate in the nomination of an Unitholder Nominee Director/ Investor Director.

If the unitholding of more than one unitholder is aggregated for the purpose of qualifying as Eligible Unitholder(s) to exercise the right to nominate an Unitholder Nominee Director/ Investor Director, then such unitholders shall not be eligible to participate in any other group of Eligible Unitholder(s).

The following eligibility requirements should be fulfilled by the candidates proposed to be considered for appointment as Unitholder Nominee Director/ Investor Directors:

- Shall possess a Director Identification Number (DIN);
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his/her written consent to act as a Director;
- The person should be “fit and proper” based on the criteria specified under Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended;
- The person is not a willful defaulter or fraudulent borrower, or a promoter or director or person in control of a company or entity categorized as such by any bank or financial institution in accordance with the guidelines prescribed by the Reserve Bank of India;
- The person’s name does not appear under any list of disqualified directors issued by the Ministry of Corporate Affairs and is not debarred from acting as a director or member of management by any court, regulatory or supervisory authority.
- The person is not debarred from accessing the capital markets by the Board or any other authority.
- The person is not or has not been a promoter or director or person in control of any company or entity which has been debarred from accessing the capital markets by the Board or any other authority.
- The person should not be disqualified under the Companies Act, 2013 along with other requirements as details required under the Companies Act, 2013 to facilitate the Investment Manager for filing of Form DIR-12.
- Any other requirements/criteria as may be prescribed, from time to time, under the SEBI (InvIT) Regulations, 2014, Companies Act, 2013 read with Rules thereunder along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

Further, the Unitholder Nominee Director/ Investor Director shall recuse from voting on any transaction where either such Unitholder Nominee Director/ Investor Director, such Unitholder Nominee Director/ Investor Director's associate or the Eligible Unitholder(s) who nominated him/her or associate of such Eligible Unitholder(s) is a party.

4.5 Evaluation Criteria for Unitholder Nominee Director/ Investor Directors

Upon receipt of the nomination of the Eligible Unitholder(s), the NR committee and/or the Board shall confirm the eligibility of an Unitholder Nominee Director/ Investor Director based on the fulfilment of criteria mentioned hereinabove and thereafter, recommends the Unitholder Nominee Director/ Investor Director.

Once the eligibility of the Unitholder Nominee Director/ Investor Director is confirmed, the NR committee and/or IM Board shall take necessary steps to complete the appointment of such director on the board of IM within the time as prescribed by the law.

The NR committee and/or IM Board shall be required to carry out the performance evaluation of the Unitholder Nominee Director/ Investor Director from time to time based on the following criteria:

- Attendance and pro-active participation at the Board / Committee meetings;
- Time commitment;

- Ability to contribute to and monitor corporate governance practice;
- Effective deployment of knowledge and expertise;
- Integrity and maintaining of confidentiality;
- Independence of behavior and judgment;
- Teamwork;
- Continuous abidance with the Stewardship Code of the nominating unitholder;
- Fulfilment of the eligibility criteria as set out in point 4.4 at all times, or
- Such other parameters as may be deemed appropriate.

5. Criteria for evaluating the performance of the Board and Committees of the Board

While evaluating the performance of the Board/Committees of the Board, the following criteria as laid down shall be considered:

- Structure of the Board/Committees i.e. proper mix of competencies, enough experience, sufficient diversity, proper mix of qualifications etc.
- Proper Meetings of the Board/Committees to undertake its duties properly.
- Functions and Responsibilities of the Board/Committee as assigned which is in accordance with the laws as may be applicable;
- Decision Making process at the Board / Committee Meeting to assess creation of stakeholder value, mechanism in place to communicate and engage with various stakeholders, act on a fully informed basis, in good faith with due diligence and care etc;
- To analyse and examine governance and compliance issues and monitors the effectiveness of its governance practices and make changes as needed;
- The Board/Committees undertakes a review of the high risk issues impacting the Company regularly;
- Review, monitor and manage potential conflicts of interest of management, members of Board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
- Any other parameters as and when specify.

The performance of Board/Committees of Board shall be evaluated on an annual basis, keeping in the mind the above stated parameters, and may be evaluated periodically, if required by NR Committee/IM Board.

Reporting and monitoring: The NR Committee and/or IM Board, or the person so authorised by NR Committee and/or IM Board in this regard, shall be required to monitor the unitholding of the Eligible Unitholder(s) who have exercised their right to nominate the director on the IM Board within 10 days from the end of each calendar month, and shall report the same to the Trustee i.e. Axis Trustee Services Limited.

6. Policy Relating to Remuneration of Directors including Independent Directors/ Senior Management Personnel/ Employees

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/Key Managers of Personnel/ other employee shall be involved in deciding his or her own remuneration.
- The trend prevalent in the industry, nature and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated from time to time.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long-term performance objectives appropriate to the Company's working and goals.
- Consistent application of remuneration parameters across the organization.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.

Further, in addition to the above, NR Committee shall consider the following:

- Non-Executive Directors: The remuneration shall be given to the Non-executive Directors as per Nomination and Remuneration Policy and InvIT documents.
- Unitholder Nominee Director/ Investor Director: The Unitholder Nominee Director/ Investor Director shall be given remuneration as per Nomination and Remuneration Policy and InvIT documents.
- Independent Directors: Independent Directors shall receive remuneration by way of fees for attending meetings of Board or Committee thereof which is in accordance with the Nomination and Remuneration Policy and InvIT documents.
- Senior Management: The remuneration of Senior Management shall be referred by KSAC on the basis of the role and position of the individual employee in accordance with the terms of reference of KSAC to the NR Committee for their determination and thereafter, NR Committee after considering all relevant factors shall recommend the same to the Board of Directors for approval. Further, the terms and conditions of remuneration shall be as per Nomination and Remuneration Policy and InvIT documents.
- Other Employees: Remuneration to other employees shall be given as per HR policy and decided by the HR.

7. Grounds and manner for discontinuation of Unitholder Nominee Director/ Investor Director

A Unitholder Nominee Director/ Investor Director shall continue to remain on the Board of Directors of the Investment Manager unless:

- the nomination is withdrawn by Eligible Unitholder(s),
- change in the Unitholder Nominee Director/ Investor Director is requested by Eligible Unitholder(s),
- the unitholding of Eligible Unitholder(s) falls below the required threshold consequent to which the Unitholder Nominee Director/ Investor Director resign/ step down from the Board of Directors of the Investment Manager,
- The Unitholder Nominee Director/ Investor Director is unable to serve or resigns from the IM Board
- the Unitholder Nominee Director/ Investor Director is removed from the IM Board for any reason to be recorded in writing,
- If the director incurs any disqualification or is required to vacate the office under the provisions of the Act, or
- the director ceases to comply with the eligibility conditions as prescribed in Point 4.

Withdrawal of nomination: If an Eligible Unitholder or a group of Eligible Unitholders propose to withdraw their nomination for the Unitholder Nominee Director/ Investor Director that has been appointed on the Board of Directors of the IM, then such Eligible Unitholder(s) or their authorized representatives, shall inform the IM and the Unitholder Nominee Director/ Investor Director of the same, and the Unitholder Nominee Director/ Investor Director shall resign/step down from the Board of Directors of the IM forthwith.

Change in Unitholder Nominee Director/Investor Director: If an Eligible Unitholder or a group of Eligible Unitholders propose to change a Unitholder Nominee Director/ Investor Director who has been appointed on the Board of Directors of the Investment Manager, then such Eligible Unitholder(s), or their authorized representatives, shall inform the Investment Manager of the proposed candidate in the manner set out in the 5th point of this Policy and then the IM shall evaluate the proposed candidate as mentioned above.

Vacation of office of an Unitholder Nominee Director/Investor Director:

- Change in existing unitholding: If at any time, the individual or collective unitholding of the Eligible Unitholder(s), who have nominated an Unitholder Nominee Director/ Investor Director, falls below ten percent of the total outstanding units of the Trust, then the Eligible Unitholder(s) shall immediately inform the IM within two (2) working days from such change and the Unitholder Nominee Director/ Investor Director shall resign/step down from the Board of Directors of the IM within two (2) working days from such change
- Fresh issue of units by Trust: If at any time, the individual or collective unitholding of the Eligible Unitholder(s), who have nominated the Unitholder Nominee Director/ Investor Director, falls below ten percent of the total outstanding units of the Trust on account of fresh issuance of units by the Trust, then the Eligible Unitholder(s) shall immediately inform the IM within two (2) working days from the date of allotment of fresh units and the Unitholder Nominee Director/ Investor Director shall resign/step down from the Board of Directors of the IM within two (2) working days from such

date of allotment.

- Death or permanent disability of Unitholder Nominee Director/Investor Director: In case of death or permanent disability of the Unitholder Nominee Director/ Investor Director, the Eligible Unitholder(s) that nominated such Unitholder Nominee Director/ Investor Director may propose another individual as a replacement.
- Removal by the IM: The Board of Directors (including the NRC) shall have the power to remove a Unitholder Nominee Director/ Investor Director from office, for reasons to be recorded in writing, including, but not limited to, if the Unitholder Nominee Director/ Investor Director ceases to meet the eligibility criteria as set out in point 4 of this policy or in the opinion of the Board and/or NRC, the performance evaluation as set out in point 6 of this policy of the said director by the Board/ NRC is not found satisfactory.

8. Website

The policy shall be hosted on the website of the Trust at <https://orientalinfratrust.com/>

9. Amendments and Updates

The NR Committee periodically shall review this Policy and may recommend amendments to this Policy from time to time to the IM Board as it deems appropriate, which shall be in accordance with the provisions of the applicable laws and regulations. In case of any modifications, amendments or inconsistencies with the applicable laws and regulations, the provisions of the applicable prevailing laws and the rules made thereunder would prevail over the Policy.

EVALUATION SHEET OF THE EXISTING BOARD OF DIRECTORS

Annexure-1

S.No	Parameters	Desired Level	Mr. Sanjit Bakshi	Mr. Ranveer Sharma	Mr. Deepak Das Gupta	Mr. Surinder Singh Kohli	Mr. Ajit Mohan Sharan	Evaluation-Existing Board	Preferred Capabilities of the Proposed Candidate
			(Existing Board of Directors)						
1	Relevant Field of Experience	Infrastructure, Operations, Finance, Taxation, Corporate Governance, Banking, Management, CSR, EHS, Legal, Insurance, Investment Bankers, Ex-serviceman, Market Research and analyst							
2	Designation	IAS/IRS/Ex-serviceman /CEO/CFO of reputed organization/promoter of reputed group/entrepreneur/author/ Department Head or proprietorship (EHS, CSR), partner of reputed audit firm							
3	Experience (in years)	15 years and above							
4	Education	CPA/LLM/MBA/Executive MBA/Engineering from Top ranked College/University /Doctorate of similar degree/Masters/M.tech							
5	Directorship in other Companies/LLP	Reputed Listed Company/Public Company/Private Group							
6	Special Awards/Recognition	Special Recognition by NHA, Income tax authorities, Government of India or by renowned organization in the relevant field of experience of the candidate.							

SCREENING/RATING SHEET FOR APPOINTMENT OF INDEPENDENT DIRECTOR

Name of Applicant:

Annexure-2

S.No	PARAMETERS (A)	DESIRED CAPABILITIES OF THE PROPOSED CANDIDATE (B)	PREFERRED CAPABILITIES IDENTIFIED AS PER EVALUATION SHEET (C)	CANDIDATE ATTRIBUTES (D)	EVALUATION CRITERIA (E)*		RATING SCALE (F)	
					WEIGHTAGE	SCORE	SCALING	SCORE
1	Relevant Field of Experience	Infrastructure, Operations, Finance, Taxation, Corporate Governance, Banking, Management, CSR, EHS, Legal, Insurance, Investment Bankers, Ex-serviceman, Market Research and analyst			25		Outstanding	85-100
2	Designation	IAS/IRS/Ex-serviceman /CEO/CFO of reputed organization/promoter of reputed group/entrepreneur/author/D epartment Head or proprietorship (EHS, CSR), partner of reputed audit firm,			15		Very Good	70-84
3	Experience (in years)	15 years and above			20		Good	55-69
4	Education	IAS/IRS/CPA/LLM/MBA/Executive MBA/Engineering from Top ranked College/University /Doctorate of similar degree/Masters/M.tech			20		Average	40-54
5	Directorship in other Companies/LLP	Reputed Listed Company/Public Company/Private Group			10		Unsatisfactory	Below 40
6	Special Awards/Recognition	Special Recognition by NHAI, Income tax authorities, Government of India or by renowned organization in the relevant field of experience of the candidate.			10		Note: The Candidate who scores 70 & above marks is to be considered for selection.	
GRAND TOTAL					100			
Overall Assesment : <i>Suitable / Not Suitable</i>								
Recommendation (<i>If Suitable</i>) :								

NOTES

- 1 *Highest Score for the relevant Parameters shall be assigned to the candidate fulfilling the criteria mentioned in column (c)
- 2 To consider any candidate for appointment, the candidate must be atleast in very good scale.