

POLICY ON QUALIFICATIONS AND CRITERIA FOR APPOINTMENT OF UNITHOLDERS NOMINEE DIRECTORS ON THE BOARD

1. PREAMBLE

- 1.1. In accordance with Regulation 4(2)(i) of 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 (“**InvIT Regulations**”), the Eligible Unitholders (*as defined below*) of the Citius TransNet Investment Trust (“**Trust**”) have been granted a right to appoint a nominee director on the board of directors (“**Board**”) of EAAA TransInfra Managers Limited (“**Investment Manager**”). Further, the Master Circular for Infrastructure Investment Trusts (“**Trust**”) bearing reference no. SEBI/HO/DDHS-PoD-2/P/CIR/2025/102 dated July 11, 2025 (“**InvIT Master Circular**”) provides for, *inter alia*, the nomination process and eligibility criteria for the Eligible Unitholders as well as for the Unitholder Nominee Directors (*as defined below*).
- 1.2. This policy lays down a framework and provides guidance in relation to the qualifications and criteria for appointment, removal and evaluation of individuals nominated as the Unitholder Nominee Directors (*as defined below*) on the Board (“**Policy**”).
- 1.3. This Policy aims at setting out the qualifications and criteria for appointment and evaluation parameters of individuals nominated for appointment as Unitholder Nominee Director (*as defined below*), remuneration/sitting fees, process of removal or resignation of the Unitholder Nominee Director(s) and the role of the nomination and remuneration committee and/or the Board in such matters and also to ensure that the interests of Trust and its stakeholders are promoted, protected and aligned.
- 1.4. This Policy shall be read along with the articles of association of the Investment Manager, the trust deed, the investment management agreement, each as amended from time to time, with respect to the nomination of Unitholder Nominee Directors, as may be applicable.

2. DEFINITIONS

- a) “**Act**” means the Companies Act, 2013 and the rules framed thereunder, as amended from time to time.
- b) “**Applicable Law**” shall mean any statute, law, regulation, ordinance, rule, judgment, order, decree, bye-law, approval of any Governmental Agency, directive, guideline, policy, requirement or other government restriction or any similar form of decision of or determination by, or any interpretation having the force of law of any of the foregoing by any Governmental Agency having jurisdiction in India, including but not limited to the InvIT Regulations and circulars issued by the Securities and Exchange Board of India, as may be amended from time to time.
- c) “**Eligible Unitholder(s)**” shall mean unitholder(s) holding ten (10) per cent or more of the total outstanding units of the Trust, either individually or collectively as defined in the InvIT Master Circular. The Eligible Unitholders will be determined based on the unitholding pattern of the Trust as on March 31st of the financial year.
- d) “**Listing Regulations**” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- e) “**Committee**” or “**NRC**” shall mean the nomination and remuneration committee of the Board of the Investment Manager.
- f) “**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by them and includes perquisites as defined under the Income-tax Act, 1961.
- g) “**Sponsor**” means Epic Transnet Infrastructure Private Limited (*formerly known as Watrak Infrastructure Private Limited*)

- h) “**Unitholder(s)**” shall mean unitholder holding units of the Trust.
- i) “**Unitholder Nominee Director**” shall mean a non-independent director nominated by Eligible Unitholder(s) on the Board of the Investment Manager as defined in the InvIT Master Circular.

The terms that have not been defined in this Policy shall have the same meaning assigned to them in the InvIT Regulations, Listing Regulations, Act and/or any other act or regulation as may be applicable for the time being in force and as and when it is amended from time to time.

3. SCOPE

This Policy applies to the Eligible Unitholders of the Trust and Unitholder Nominee Directors appointed on the Board.

4. QUALIFICATIONS AND ELIGIBILITY CRITERIA FOR THE UNITHOLDER NOMINEE DIRECTOR

- 4.1. The Eligible Unitholder(s) have the right, but not an obligation, to nominate only one Unitholder Nominee Director, subject to the Unitholding of such Eligible Unitholder, (either individually or collectively), exceeding 10% of the total outstanding Units.
- 4.2. If the right to nominate one or more directors on the Board 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 (or its holding companies or special purpose vehicles), then such entity in its capacity as Unitholder, shall not be entitled to nominate or participate in the nomination of a Unitholder Nominee Director. Provided that the above restriction relating to the right to nominate a Unitholder Nominee Director shall not be applicable if the right to appoint a Unitholder Nominee Director is available in terms of Regulation 15(1)(e) of the SEBI (Debt Instruments Trustees) Regulations, 1993, as amended.
- 4.3. 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 a Unitholder Nominee Director, then such Unitholders shall not be eligible to participate in any other group of Eligible Unitholder(s).
- 4.4. The following eligibility requirements should be fulfilled by the candidates proposed to be considered for appointment as Unitholder Nominee Directors:
 - i. 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.
 - ii. The person is not a wilful 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.
 - iii. 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.
 - iv. The person is not debarred from accessing the capital markets by SEBI or any authority.
 - v. 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 SEBI or any other authority.
 - vi. Any other criteria as may be identified by the Investment Manager, from time to time.

Further, the director so nominated, shall recuse from voting on any transaction such Unitholder Nominee Director or associate of such Unitholder Nominee Director or the Unitholder who nominated such nominee director or associate of such Unitholder is a party.

5. NOMINATION PROCESS

A. Process for nomination by the Unitholders on an annual basis

- i. The IM shall send a written intimation to all Unitholders on their email address(es) registered either with the IM or with any depository, within ten days from the end of each financial year, requesting them to inform the Investment Manager if any Eligible Unitholder(s) wish to exercise the right to nominate a Unitholder Nominee Director.
- ii. The Eligible Unitholder(s), who wish to exercise this right, shall inform the IM through a written notice within ten days of receipt of the intimation from the IM. The eligibility of the Eligible Unitholder(s) shall be based on the unitholding pattern of the Trust as on March 31st of the financial year.
- iii. If any Unitholder(s) acquires/ holds units of the prescribed threshold of ten percent unitholding or more during a particular financial year, then such Unitholder(s) shall be entitled to exercise the nomination right only in the following financial year as per the process mentioned in this Policy.
- iv. The Eligible Unitholder(s) who wish to exercise this right shall inform the IM through a written notice of their proposed candidate for the Unitholder Nominee Director along with the following details within ten days of receipt of the intimation from the Investment Manager:
 - Name of the candidate;
 - Director identification number of the candidate;
 - A brief profile of the candidate, including age, educational qualifications, professional qualifications, nationality, occupation, address, experience in the sector and sub-sector in which the Trust operates and directorship in other entities, together with back-up documents;
 - Details of any outstanding criminal action, regulatory action or material civil litigation against the candidate;
 - Details required under the Companies Act, 2013 to facilitate the Investment Manager for filing of e- Form DIR-12 with Registrar of Companies;
 - Confirmations in relation to eligibility of the candidate as set out in paragraph 4 of this Policy;
 - Name, demat account details and unitholding of the Eligible Unitholder; and
 - Acknowledgement from the Eligible Unitholders that their unitholding shall be maintained at least ten percent of the total outstanding Units of the Trust, failing which they shall lose the right to have their Unitholder Nominee Director on the Board of the Investment Manager.

It is hereby clarified that, if multiple Unitholders are aggregating their unitholding for the purpose of nomination right, then such notice shall also identify up to two Unitholders as authorized representatives of the group of Eligible Unitholder(s). Any communication by such authorized representatives to the Investment Manager for the purpose of such nomination shall be deemed to be on behalf of, and representative of the interests of, the entire group of Eligible Unitholders.

- v. The eligibility of all proposed Unitholder Nominee Directors shall be confirmed by the IM, based on the evaluation done by the NRC and/or the Board (which may include a physical or virtual interaction of the proposed Unitholder Nominee Director with the NRC/ Board) within ten days of receipt of notice from Eligible Unitholder(s).
- vi. Once the eligibility of a Unitholder Nominee Director is confirmed, the IM shall take necessary steps to complete the appointment of such director on the Board within thirty days from the date of such confirmation. The IM shall ensure that the appointment of the Unitholder Nominee Director complies with the requirements with respect to the composition of the board of directors of the IM under the InvIT Regulations and other applicable laws.
- vii. Further, if the candidate proposed is not eligible or not found suitable based on the evaluation done by the NRC and/or the Board of the IM in line with this Policy, the reasons shall be recorded in writing and shall be communicated by the IM to the Eligible Unitholder(s) within ten days of receipt of notice from Eligible Unitholder(s). In such case, the Eligible Unitholder(s) may submit nomination of another candidate within a period of ten days from the receipt of such

communication from the IM.

6. REPORTING AND MONITORING

The IM shall within ten (10) days from the end of each calendar month, review whether the Eligible Unitholder(s) who have exercised the board nomination right, continue to have/hold the required number of units of the Trust and make a report of the same which shall be submitted to the trustee of Trust.

7. GROUNDS FOR DISCONTINUATION OF UNITHOLDER NOMINEE DIRECTOR

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

- i. the nomination is withdrawn by Eligible Unitholder(s),
- ii. change in the Unitholder Nominee Director is requested by Eligible Unitholder(s),
- iii. the unitholding of Eligible Unitholder(s) falls below the required threshold consequent to which the Unitholder Nominee Director resigns/ steps down from the Board of the Investment Manager,
- iv. the Unitholder Nominee Director is unable to serve or resigns or is removed from the Board for any reason, which shall be recorded in writing.

Withdrawal of nomination:

If an Eligible Unitholder or a group of Eligible Unitholders propose to withdraw their nomination for the Unitholder Nominee 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 of the same, and the Unitholder Nominee Director shall resign/step down from the Board of Directors of the IM forthwith.

Change in Unitholder Nominee Director:

If an Eligible Unitholder or a group of Eligible Unitholders propose to change a Unitholder Nominee 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 paragraph 5 of this Policy and then the IM shall evaluate the proposed candidate as mentioned above.

Vacation of office of a Unitholder Nominee Director:

- a. Change in existing unitholding: If at any time, the individual or collective unitholding of the Eligible Unitholder(s), who have nominated a Unitholder Nominee Director, falls below 10 per cent 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 shall resign/step down from the Board of Directors of the IM within two (2) working days from such change.
- b. Fresh issue of Units by Trust: If at any time, the individual or collective unitholding of the Eligible Unitholder(s), who have nominated a Unitholder Nominee Director, falls below 10 per cent 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 shall resign/step down from the Board of Directors of the IM within two (2) working days from such date of allotment.
- c. Death or permanent disability of Nominee Director: In case of death or permanent disability of a Unitholder Nominee Director, the Eligible Unitholder(s) that nominated such Unitholder Nominee Director may propose another individual as a replacement in the manner described in paragraph 5 of this Policy.
- d. Removal by the IM: The Board (including the NRC) shall have the power to remove a Unitholder Nominee Director from office, for reasons to be recorded in writing, including, but not limited to, if the Unitholder Nominee Director ceases to meet the eligibility criteria as set out in paragraph 4 of this Policy.

8. REMUNERATION OF UNITHOLDER NOMINEE DIRECTOR

The Unitholder Nominee Director may receive Remuneration, sitting fees, compensation, commission from the Investment Manager or the Trust, subject to approval of Board and requirements of Applicable Law including the Nomination and Remuneration Policy of the Trust.

However, the Unitholder Nominee Director shall not be entitled to any stock option of the Investment Manager or the Trust. They shall not be eligible to participate in any share-based payment schemes.

9. COMMUNICATION OF THIS POLICY

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

10. REVIEW OF THE POLICY

This Policy will be reviewed and reassessed by the Board of the Investment Manager as and when required and appropriate recommendations shall be made by them to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

11.CONFLICT WITH APPLICABLE LAW

This Policy will be reviewed and reassessed by the Board of the Investment Manager as and when required and appropriate recommendations shall be made by them to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

12.AMENDMENT

- i. Any amendment or variation to this Policy shall be approved by the board of directors of the Investment Manager and undertaken in compliance with the InvIT Regulations and other applicable law.
- ii. 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.

Adopted by the board of directors of EAAA TransInfra Managers Limited on behalf of the InvIT on November 19, 2025.