

## BORROWING POLICY OF THE CITIUS TRANSNET INVESTMENT TRUST

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### 1. Preamble

The trust deed dated July 21, 2025 entered into between Epic Transnet Infrastructure Private Limited (formerly known as Watrak Infrastructure Private Limited) (the “**Sponsor**”) and Axis Trustee Services Limited (the “**Trustee**”) in relation to the Citius TransNet Investment Trust (the “**InvIT**” or “**Citius**” or “**Trust**”) empowers the Trustee to, on behalf of the InvIT, borrow monies for the InvIT or any of its existing or future Holdcos and/or SPVs (*each as defined below*), subject to applicable law and restrictions under the InvIT Regulations (*as defined below*), and offer such security as it may deem fit, for the purpose of availing such borrowings. Further, pursuant to the investment management agreement dated July 22, 2025, the Trustee has empowered EAAA TransInfra Managers Limited (the “**Investment Manager**”) to, inter-alia, borrow monies for the InvIT or any of its existing or future Holdcos and/or SPVs, subject to applicable law (including the requirement to procure approvals from the Unitholders (*as defined below*) in accordance with the InvIT Regulations), including in order to meet any liabilities (including potential liabilities), for undertaking any investments/ acquisitions (fully or partially) or meet any obligations of the InvIT or any of its existing or future Holdcos and/or SPVs.

Accordingly, the Investment Manager has formulated this Policy (*as defined below*) to outline the process for borrowing monies in relation to the InvIT.

### 2. Definitions

- (i) “**Holdco(s)**” shall have the meaning ascribed to such term in the InvIT Regulations.
- (ii) “**InvIT Regulations**” shall mean 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.
- (iii) “**Policy**” shall mean this borrowing policy of the InvIT.
- (iv) “**SPV(s)**” shall have the meaning ascribed to such term in the InvIT Regulations.
- (v) “**Unitholders**” shall mean the unitholders of the InvIT.

### 3. Policy

- (i) The Investment Manager shall ensure that all funds borrowed in relation to the InvIT, the Holdcos, and the SPVs are in compliance with the InvIT Regulations.
- (ii) The Trust may raise debt and avail borrowings and deferred payments from time to time, including through (a) availing loans (including fund based and non-fund based facilities) from banks, financial institutions, non-banking financial companies, insurance companies, mutual funds, AIFs, corporates; or any of its associates & any deferred payment liabilities under the securities purchase agreements and/or any similar lending institutions in accordance with applicable law, including the InvIT Regulations, and (b) issuance of debt securities and/ or commercial papers in the manner specified by the Securities and Exchange Board of India and/or the Companies Act, 2013 and in accordance with applicable law, including the InvIT Regulations.
- (iii) The Trust shall be permitted to borrow monies through any permitted means, by any instrument, in Indian or foreign currency, as permitted by applicable law, including as prescribed by the Reserve Bank of India. The Investment Manager and/or the Trustee (both on behalf of the InvIT) shall be permitted to borrow monies in relation to the InvIT, subject to the approval of its board of directors and such other committee of the board of directors of the Investment Manager as may be constituted in this regard.

- (iv) The Investment Manager may engage such intermediaries as may be necessary to facilitate the borrowings in relation to the InvIT, Holdcos or SPVs at such remuneration as may be reasonable and at arm's length.
- (v) In the event the aggregate consolidated borrowings and deferred payments (net of cash and cash equivalents) of the Trust, Holdcos and the SPVs, exceed 70% of the value of the Trust assets or any thresholds prescribed under the InvIT Regulations, any further borrowings by the InvIT shall be availed in accordance with the requirements prescribed under the InvIT Regulations, including any approval from Unitholders as may be required under Regulation 22 of the InvIT Regulations.
- (vi) The Investment Manager shall ensure that if the value of funds borrowed from related parties in a financial year, exceeds 5% of the total consolidated borrowings of the Trust, Holdco and the SPVs or any thresholds prescribed under the InvIT Regulations, then all such subsequent transactions with any related party shall be availed in accordance with the requirements prescribed under the InvIT Regulations, including any approval from Unitholders as and when may be required under Regulation 22 of the InvIT Regulations prior to entering such subsequent transactions.
- (vii) If the aggregate consolidated borrowings and deferred payments of the Trust, HoldCo and the SPV(s), net of cash and cash equivalents exceed 25% of the value of the Portfolio Assets, for any further borrowing:
  - (a) Upto 49%, the Trust shall - (i) obtain [issuer credit rating of the Trust from a credit rating agency registered with the Securities and Exchange Board of India ; and (ii) seek approval of unitholders in the manner as specified in Regulation 22.
  - (b) Above 49%, the Trust shall - (i) obtain issuer credit rating of the Trust of "AAA" or equivalent from a credit rating agency registered with the Securities and Exchange Board of India; (ii) utilize the funds only for acquisition or development of infrastructure projects; (iii) have a track record of atleast six distributions, in terms of sub-regulation (6) of regulation 18 of InvIT Regulations, on a continuous basis, post listing, as at the end of the quarter preceding the date on which the enhanced borrowings are proposed to be made, provided that for computing six continuous distributions, maximum one distribution per quarter shall be considered and the distributions shall be consistent with the distribution policy disclosed to the unitholders; and (iv) obtain the approval of unitholders in the manner specified in sub-regulation (5A) of regulation 22 of the InvIT Regulations.
- (viii) The Trust also has the power to create mortgage/ assignment/ pledge/ charge/ hypothecate or secure any of its assets or provide guarantees or provide subordination undertakings in order to borrow funds, subject to requirements of applicable law. However, the Investment Manager shall not be allowed to create any obligation on the InvIT which would allow the liabilities to extend beyond the assets held by the Trust.
- (ix) In addition to the above, any borrowing by any Holdco or the SPV, incorporated under the Companies Act, 1956 or the Companies Act, 2013, as may be applicable, will be in accordance with the conditions prescribed therein.

#### **4. Disclosure and Reporting**

- (i) The Investment Manager shall disclose to the designated stock exchange(s) any additional borrowing, at the Trust, Holdco or SPV level, as per the requirements prescribed under the InvIT Regulations.
- (ii) Details of changes during the year pertaining to borrowings or repayment of borrowings (standalone and consolidated) shall be disclosed in the annual report, half yearly report, and quarterly report of the Trust, as applicable, as per the requirements prescribed under the InvIT Regulations.

- (iii) Details of outstanding borrowings and deferred payments of InvIT including any credit rating(s), debt maturity profile, gearing ratios of the Trust on a consolidated and standalone basis shall be disclosed in the annual report, half yearly report, and quarterly report of the Trust, as applicable as per the requirements prescribed under the InvIT Regulations.

**5. COMMUNICATION OF THIS POLICY**

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

**6. 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.

**7. Conflict with Applicable Law**

In the event of any conflict between applicable law, including the Companies Act, the SEBI InvIT Regulations or the SEBI Listing Regulations or any other statutory enactments and the provisions of this Policy, applicable law shall prevail over this Policy.

**8. Amendment**

- (i) Any amendment or variation to this Policy shall be 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.

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