

POLICY FOR DETERMINATION OF MATERIALITY

1) Objective:

The objective of the Policy is to ensure timely and adequate disclosure of material events and price sensitive information under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) by Shriram Asset Management Company Limited (“the Company”).

2) Scope:

The Company shall make disclosures of the events or information which, in the opinion of the Board of Directors is material.

Events specified in Para A of Part A of Schedule III are deemed to be material events and the Company shall make the disclosure of such events.

The Company shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality.

Criteria for determination of materiality of events/ information:

- (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
- (c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

As per the Regulation 30 read with Schedule III of the Listing Regulations, the Company shall disclose to the Stock Exchange(s) where it is listed, the following types of material events:

A. Deemed to be Material Events without application of the guidelines for materiality (Para A of Part A of Schedule III) :

- 1) Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.
- 2) Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.

- 3) Revision in Ratings.
- 4) Outcome of Meetings of the board of directors, held to consider the following:
 - dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - any cancellation of dividend with reasons thereof;
 - the decision on buyback of securities;
 - financial results;
 - the decision with respect to fund raising proposed to be undertaken;
 - reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - short particulars of any other alterations of capital, including calls;
 - decision on voluntary delisting by the listed entity from stock exchange(s).increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
- 5) Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- 6) Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- 7) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
- 8) Appointment or discontinuation of share transfer agent.
- 9) Corporate debt restructuring.
- 10) One time settlement with a bank.
- 11) Reference to BIFR and winding-up petition filed by any party / creditors.
- 12) Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
- 13) Proceedings of Annual and extraordinary general meetings of the listed entity.
- 14) Amendments to memorandum and articles of association of listed entity, in brief.
- 15) Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

B. Other Material Events which shall be disclosed upon application of the guidelines for materiality (Para B of Part A of Schedule III):

- 1) Change in the general character or nature of business brought about by arrangements for strategic, technical, or marketing tie-up, adoption of new lines of business or closure of operations of any business vertical (entirety or piecemeal)..
- 2) Disruption of operations due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
- 3) Commencement or any postponement in the date of commencement of Commercial Operations.
- 4) Effects arising out of change in regulatory framework.
- 5) Litigation(s) / dispute(s) / regulatory action(s) with a material impact.
- 6) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
- 7) Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
- 8) New product launch.
- 9) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- 10) Options to purchase securities including any ESOP/ESPS Scheme.
- 11) Giving of guarantees or indemnity or becoming a surety for any third party.
- 12) Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.

C. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

D. Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/ information as specified by the Board from time to time.

3) Prompt Disclosure of material events and Price Sensitive Information:

Information of material events and Price sensitive information shall be given by the Company to Stock Exchanges and disseminated on a continuous and immediate basis, so that present and potential investors are able to take informed decision with respect to their investment in the Company. The Company shall first disclose to stock exchange(s) of all

events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information.

Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within thirty minutes of the conclusion of the board meeting.

4) Authorisation for disclosures:

4.1 Information disclosure shall be approved by the Chairman or Managing Director of the Company. They shall have authority to decide:

- i) The event that qualifies for disclosure as per Regulation 30 of the Listing Regulations.
- ii) The details that may be filed in the best interest of present and potential investors.

4.2 All such disclosures shall be signed by the Chairman or Managing Director or Company Secretary or Chief Financial Officer.

4.3 Company Secretary or Chief Financial Officer shall be authorized for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s).

5) Posting of information on Corporate website:

Such afore-said information shall also be posted on the Company's website.