

# Shriram Properties Limited

## Policy on Determination of Materiality for Disclosures

---

### 1. Background

Shriram Properties Limited (the "**Company**") is committed to being open and transparent with all stakeholders and believes in disseminating information in a fair and timely manner.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**") the Board of Directors (the "**Board**") has adopted this Policy for determination of materiality of events ("**Policy**") so that such events / information can be promptly disclosed to the stock exchanges, as per the Regulations.

This Policy is effective from the date of listing of securities of the Company.

### 2. Definitions

In this Policy, unless the context requires otherwise:—

- a) "**Board**" shall mean the Board of Directors of the Company
- b) "**Chief Financial Officer**" shall mean the person heading, responsible and for discharging the finance function of the Company as disclosed by it to the recognized stock exchange(s) in its filing under the Listing regulations;
- c) "**Key Managerial Personnel**" means the Chief Executive Officer, Managing Director, Manager, Chief Financial Officer, Company Secretary, whole-time directors, such other officers not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the board, and such other officer as may be prescribed by the applicable laws;
- d) "**Officer**" includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act and includes Promoter of the Company;
- e) "**Promoter**" and "**Promoter Group**" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- f) "**Subsidiary**" means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013;

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

### 3. Objective of the Policy

The objectives of this Policy are as follows:

- a) To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various

- securities laws and any other legislations (In India and overseas).
- b) To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of the specific event or information.
  - c) To ensure that to the best of the knowledge of the management, the corporate documents and public statements are accurate and do not contain any misrepresentation.
  - d) To protect the confidentiality of Material/Price sensitive information within the context of the Company's disclosure obligations.
  - e) To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
  - f) To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

#### **4. <sup>1</sup>Type of Information**

- a) Certain information would be *per se* material information, as specified in Para A of Part A of Schedule III of the SEBI LODR, Regulations, 2015 as amended from time to time forming part as Annexure-1 of the Policy.
- b) Besides *per se* material information, an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following, shall be deemed as material information:
  - 1. Event or information, whose value or expected impact in terms of value exceeds the two percent of turnover, as per the last audited consolidated financial statements of the Company
  - 2. Event or information, whose value or expected impact in terms of value exceeds the two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
  - 3. Event or information, whose value or expected impact in terms of value exceeds five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company .

Provided that, in case where the criteria specified in aforesaid clause is not applicable, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

- increase/ decrease the market price of the shares of the Company by 5% on the stock exchanges, based on preceding 52 weeks high/low.
- c) In some cases, to ascertain materiality, thresholds as prescribed in clause 4 (a) of this Policy, cannot be applied, the KMPs, in such cases, shall frame their opinion on a case to case basis, based on specific facts and circumstances relating to the information/event and while doing so, it may consider, among other factors, the following factors:

---

<sup>1</sup> Amended by Resolution passed by the Board on July 12, 2023

- Whether there would any direct or indirect impact on the reputation of the Company;
- Whether non-disclosure can lead to creation of false market in the securities of the Company;
- Whether there would be a significant impact on the operations or performance of the Company; or
- Whether the omission of an event or information which is likely to result in a discontinuity or alteration of an event or information already available publicly.

Provided that any confidential information which if disclosed is likely to put at risk the business interest of the Company shall not be disclosed. The Company to that extent shall make qualified disclosure to the stock exchanges. The details of disclosures to be made based on this Policy are attached in Annexure 2.

## **5. Person(s) Responsible for Disclosure**

The Key Managerial Personnel consisting of the Managing Director, the Wholetime Director, the Chief Financial Officer and the Company Secretary of the Company, shall jointly and severally be the authority to determine the materiality of any information, classify it as a material information, decide the appropriate time at which disclosure is to be filed with the stock exchanges and details that may be filed in the best interest of present and potential investors. The objective of this Policy is to lay down the criteria for determination of materiality of events and information that need to be disclosed to the Stock Exchanges in a timely manner and other matters related thereto.

**"Authorized Person(s)"** shall include Mr. Murali M, Managing Director, Mr. GopalKrishnan J, Mr. K R. Ramesh, Officers of the Company and the Company Secretary of the Company.

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- a) To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b) To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c) To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- d) To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- e) To disclose all events or information with respect to the subsidiaries which are material for the Company.

## **6. Obligations of Internal Stakeholders and Authorized Person for Disclosure**

- a) Any event or information, including the information forming part of Annexure 1 and Annexure 2 to the Policy shall be forthwith informed to the Authorized Person(s) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- b) The Authorized Person will then ascertain the materiality of such event(s) or information based on the above guidelines.
- c) On completion of the assessment, the Authorized Person shall, if required, make appropriate disclosure(s) to the Stock Exchanges.

## **7. Policy Review**

The Authorized Person may review the Policy from time to time. Material changes to the Policy will need the approval of the Board. Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

Any amendments to the Listing Regulations shall mutatis mutandis be deemed to have been incorporated in this Policy.

## **8. Website**

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the Documentation Retention and Archival Policy of the Company.

## **9. Company Secretary**

Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Company Secretary, who is in charge of administering, enforcing and updating this Policy.

In any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard.

**Date:** July 12, 2023

## **Annexure 1**

**<sup>2</sup>Reference: Para A of Part A of Schedule III of the SEBI (LODR) Regulations as amended from time to time.**

## **Annexure 2**

### **Events or Information that are to be disclosed based on Materiality Guidelines listed in the Policy**

1. Commencement or any postponement in the date of commencement of any Project.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
3. Significant capacity addition such as product launch, signing of definitive JDA, JV etc.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. 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.
6. Disruption of operations of any one or more Projects or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Impact on financial, operational, strategic or reputation arising out of change in the regulatory framework.
8. Litigation(s) / dispute(s) / regulatory action(s) with that impacts the financial, operational, strategic or reputation of the Company.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving significant guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key/material licenses or regulatory approvals.
13. Any other information/event viz. development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, 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.

Without prejudice to any of the above, the Company may make disclosures of event/information as specified by the Board or Securities Exchange Board of India from time to time.

---

<sup>2</sup> Amended by Resolution passed by the Board on July 12, 2023