



SHREM INFRA INVESTMENT MANAGER PRIVATE LIMITED
(Formerly Known as Shrem Financial Private Limited)

**POLICY FOR DETERMINING MATERIALITY OF
INFORMATION FOR PERIODIC DISCLOSURES OF
SHREM INVIT**

This Policy is initially approved by the Board of the Investment Manager with effect from 22nd February 2021. The same has been amended on 5th May 2025 by the approval of the Board of the Investment Manager with immediate effect.

Note: This Policy supersedes all the previous versions of Policy and/or any communication on this subject.

POLICY FOR DETERMINING MATERIALITY OF INFORMATION FOR PERIODIC DISCLOSURES OF SHREM INVIT

A. Preamble

This policy for determining materiality of information for periodic disclosures (the “**Policy**”) aims to outline process and procedures for determining materiality of information in relation to periodic disclosures required to be made on the website of Shrem InvIT (the “**Trust**”), managed by its investment manager Shrem Infra Investment Manager Private Limited (“**Investment Manager**”), to the stock exchanges and to all stakeholders at large, in relation to the Trust. The purpose of the Policy is also to ensure that the Trust complies with Applicable Law¹, including 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 (the “**InvIT Regulations**”) and the listing agreements to be entered into with the stock exchanges.

B. Definitions and Interpretation

The words and expressions used and not defined in this Policy, but defined in the InvIT Regulations, or any circulars or guidelines made thereunder, shall have the same meanings respectively assigned to them in those regulations, circulars or guidelines, or any statutory modification or re-enactment thereto, as the case may be.

C. Key Objectives

The key objectives of this Policy are set out below:

- i. To ensure that the Trust complies with the disclosure obligations that are applicable to it as a privately-placed, listed InvIT;
- ii. To ensure that any material information and/or event in relation to the Trust is disclosed in a timely and transparent manner;
- iii. To ensure that, to the best of the knowledge of the Trust (acting through its Investment Manager), the information and statements made publicly, by, on behalf of, or in respect of, the Trust, are accurate and do not contain any misstatements/misrepresentation;
- iv. To protect the confidentiality of material/price sensitive information within the context of the Trust’s disclosure obligations;
- v. To provide a framework that supports and fosters confidence in the quality and integrity of the information released by the Trust; and
- vi. To ensure uniformity in the Trust’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.

¹ “Applicable Law” shall mean the laws having jurisdiction over the matter in question, including all applicable statutes, enactments, acts of legislature, ordinances, rules, bye-laws, regulations, notifications, decrees, arbitral award, consents, directions, directives, orders or regulations or other governmental or regulatory restrictions or conditions, or any similar form of decision of, or determination by, any governmental authorities, including the Securities and Exchange Board of India, whether in effect as of the date of adoption of this policy or thereafter, including but not limited to the InvIT Regulations.

D. Material Event or Information

Qualitative Criteria:

The following qualitative criteria will be applicable for determination of materiality of any information or event in respect of the Trust (and its SPVs):

- (a) The omission of an event or information which is likely to:
 - (i) result in a discontinuity or alteration of an event or information already available publicly in respect of the Trust (and its SPVs); or
 - (ii) result in significant market reaction if the said omission came to light at a later date.
- (b) In cases where the criteria specified in sub-clauses (i) and (ii) of clause (a) above is not applicable, if in the opinion of the Board of Directors of the Investment Manager, the information/event ought to be disclosed.

Quantitative Criteria:

The following quantitative criteria will be applicable for determination of materiality of any information or event in respect of the Trust (and its SPVs):

- (a) An event or information, including litigation or regulatory action, would be considered material if the impact of the event, exceeds the lower of the following:
 - (i) 5.00% of the consolidated turnover of the Trust; and
 - (ii) 5.00% of the Enterprise Value of the Trust.
- (b) The above pecuniary thresholds shall be determined on the basis of the consolidated audited financial statements of the Trust for the last audited financial year and the valuation report of the Trust as at the end of the last financial year.
- (c) Only such impact which is direct (not derivative), reasonable perceivable (not remote), quantifiable and having a short term horizon of less than two-years shall be considered.

E. Deemed Material Information

The following events and information shall be deemed to be material information and against which Trust shall not be required to apply the criteria for determining materiality of information:

- (a). acquisition or disposal of any projects, directly or through any holding company or special purpose vehicle, value of which exceeds 5% of the value of the assets of the Trust (the “**Trust Assets**”);
- (b). additional borrowing, at the level of any holding company, special purpose vehicle or the Trust, exceeding 15% of the value of the Trust Assets;
- (c). additional issue of units by the Trust, including by way of a rights issue, preferential issue, institutional placement or bonus issue of units;
- (d). details of any credit rating obtained by the Trust and any change in such rating;
- (e). any issue which requires approval of the unitholders of the Trust (the “**Unitholders**”);
- (f). any legal proceedings which may have a significant bearing on the functioning of the Trust and initiation or material update of any litigation in relation to the Trust and any infrastructure asset of the Trust required to be disclosed under Applicable Law;
- (g). notices and results of meetings of the Unitholders;
- (h). any instance of non-compliance with the InvIT Regulations including any breach of limits specified under the InvIT Regulations;
- (i). financials results for each quarter or half yearly or annual, as the case may be, within such time as prescribed by the Securities and Exchange Board of India (“**SEBI**”) or under any Applicable Law;

- (j). all related party transactions of an InvIT shall be disclosed to the stock exchanges and Unitholders periodically in accordance with the listing agreement and the InvIT Regulations;
- (k). with respect to any related party transaction, details of any fees or commissions received or to be received by such related party(ies) shall be adequately disclosed to the stock exchanges;
- (l). valuation reports received by the Investment Manager shall be submitted by the Investment Manager to the stock exchanges within 15 days from the receipt of such valuation reports;
- (m). the Investment Manager shall submit an annual report to all Unitholders electronically or by physical copies and to the stock exchanges within three months from the end of the financial year;
- (n). the Investment Manager shall submit a half-yearly report to the stock exchanges within 45 days from the end of the half year ending September 30;
- (o). the Trust and parties to the Trust shall make adequate, accurate, explicit and timely disclosure of relevant material information to all Unitholders, stock exchanges and SEBI in accordance with the InvIT Regulations, listing agreements and as may be specified by the stock exchanges from time to time;
- (p). any material issue that in the opinion of the Investment Manager or Trustee needs to be disclosed to the Unitholders;
- (q). declaration or recommendation of distribution;
- (r). proposal for buy back of units;
- (s). issue of debt securities by the Trust;
- (t). proposal for voluntary delisting from the stock exchanges;
- (u). proposal for winding up of the Trust;
- (v). schedule of analyst or institutional investor meet and presentations on financial results made by the Trust to analysts or institutional investors;
- (w). changes in the sponsor, trustee, investment manager, project manager, auditors, valuer or compliance officer of the Trust;
- (x). in case of resignation of the auditor, detailed reasons for resignation of the auditor, as given by the said auditor, shall be disclosed by the Trust to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor;
- (y). in case of resignation of an independent director of the investment manager, disclosure of (i). detailed reasons for the resignation as given by the said director; and (ii) disclosure of a confirmation provided by such independent director that there are no other material reasons other than those provided;
- (z). appointment or discontinuation of the registrar and unit transfer agent;
- (aa). debt restructuring by the Trust;
- (bb). one time settlement with a bank;
- (cc). any material amendment to the indenture of trust or investment management agreement;
- (dd). entering into any material agreement not in the ordinary course of business and any amendments to such material agreements;
- (ee). any change in investment strategy from the last disclosed investment strategy along with the reasons for the same and any change to the existing right of first refusal or offer granted to Trust;
- (ff). fraud or defaults etc. by any of the parties to the Trust; and
- (gg). the Trust shall also provide disclosures or reports specific to sector or sub-sector in which the Trust has invested or proposes to invest in the manner specified by SEBI.

F. **Materiality of events or information:** The Trust shall consider following criteria for determination of materiality of events or information other than for the Deemed Material Information provided above:

- (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 clause (a) and (b) above are not applicable, an event or information may be treated as being material if it has a bearing of 5% of the value of the Trust Assets, other than events referred to in Clause F(b) above; or
- (d). if in the opinion of the authorized person (as described in Clause K), of the Investment Manager, the event or information is considered material.

Events which shall be disclosed upon application of materiality criteria as stated above, are including, but not limited to the following:

- (a). agreements (including loan agreement(s) 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;
- (b). disruption of operations of any one or more projects or a part thereof, of the Trust due to natural calamity (earthquake, flood, fire, etc.), force majeure or events including strikes, lockouts, etc.;
- (c). effect(s) arising out of change in the regulatory framework applicable to the Trust;
- (d). litigation(s) or dispute(s) or regulatory action(s) in accordance with Applicable Law;
- (e). giving of guarantees or indemnity or becoming a surety for any third party; and
- (f). granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

The Trust shall also submit such information to the designated stock exchange(s) and Unitholders on a periodical basis as may be required under the listing agreements. Further, the Trust shall disclose all such information as may be specified by SEBI to the designated stock exchange(s), Unitholders and SEBI, in the manner as may be specified by SEBI.

G. General Provisions:

- (a). The Investment Manager shall provide specific and adequate reply to all queries raised by stock exchanges with respect to any events or information in relation to the Trust;
- (b). The Investment Manager may on its own initiative also, confirm or deny any reported event or information to stock exchanges;
- (c). The Investment Manager shall make disclosures of event or information as specified by the Board of Directors or any committee thereof, in relation to the Trust, from time to time;
- (d). The Investment Manager shall follow uniform and universal dissemination of information to avoid selective disclosure;
- (e). While dealing with analysts or research persons or investors, the Investment Manager shall provide only information that is publicly available. Alternatively, the information given to analysts or research persons shall be simultaneously made public at the earliest; and
- (f). The Investment Manager's employees shall handle all unpublished price sensitive information on a need to know basis.

H. Person(s) Responsible for Disclosure

The Authorised Person (as described in Clause K) is required to determine the materiality of an event or information and to make appropriate disclosure on a timely basis.

The Authorised Person is empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as he/she may deem fit.

The Authorised Person 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 consequently, 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 InvIT Regulations and determine the materiality, appropriate time, and contents of disclosure for such matters; and
- (e). To disclose all events or information with respect to the SPVs and the Parties to the InvIT that are material in the context of the Trust.

I. Timeline for disclosure of information:

- (a). The Investment Manager shall first disclose to stock exchanges of all material events or information as soon as reasonably possible and within such time as may be prescribed by Applicable Law, including any prior intimation of a board or committee meeting in relation to any material events, as may be required under Applicable Law. In case the disclosure is made after such time as may be prescribed by Applicable Law, the Investment Manager shall, along with such disclosures, provide an explanation for such delay;
- (b). Any information shall be given first to the stock exchanges before providing the same to any third party;
- (c). The Investment Manager shall, with respect to disclosures referred to in this Policy make disclosures updating material developments on a regular basis, until such time the event is resolved or closed, with relevant explanations; and
- (d). The Investment Manager shall disclose on the website of the Trust, all such events or information which has been disclosed to stock exchanges under this Policy, and such disclosures shall be hosted on the website of the Trust for a minimum period of five years and thereafter it shall be preserved in an archival folder of the Trust maintained offline until it is destroyed upon the expiry of the statutory period for the preservation of such documents.

J. Approval Process:

- (1). All disclosure or dissemination of any material or unpublished price sensitive information (save and except disclosure required to be made under any Applicable Law or under this Policy) on behalf of the Trust shall be first marked to the compliance officer of the Trust (the “**Compliance Officer**”), or to any other person authorised by the board of directors of the Company in this regard (an “**Authorised Person**”), for approval. The Compliance Officer and each Authorised Person shall be severally authorised to determine materiality of an event or information, verifying or denying rumours and for making disclosure to the stock exchanges and on the website of the Trust. Any such information shall be made public or published on behalf of the Trust only if the same is approved by the Compliance Officer or an Authorised Person.
- (2). The Compliance Officer and Authorised Persons shall be severally authorised to make the disclosure of any material or unpublished price sensitive information duly approved in accordance with paragraph G(1) above, to the stock exchanges, media, or the Trust’s website. The contact details of the Compliance Officer shall be disclosed to the stock exchanges and on the Trust website.
- (3). The Compliance Officer or any Authorised Person shall also make an appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities. Other employees of the Investment Manager and representatives of

the Investment Manager receiving any inquiries from the investment community shall not respond to such inquiries other than to refer the inquirer to the Compliance Officer or an Authorised Person.

K. **Unintentional or Inadvertent Disclosure:** If an employee of the Investment Manager makes an accidental or unintentional disclosure of unpublished material or price sensitive information or any disclosure that is not in accordance with this Policy, the employee of the Investment Manager must immediately notify the Compliance Officer or an Authorised Person of this incident. The Investment Manager shall forthwith take steps to ensure that the same is disclosed to the stock exchanges immediately or issue a press release to fully disclose this information.

L. **Public disclosure of forward looking information:**

(1). All public disclosures of forward-looking information, including projections of future earnings or operational performance, shall be accompanied by appropriate disclaimers. All public disclosures of forward-looking information must be approved by the Compliance Officer or an Authorised Person. Once approved, the forward-looking information may be communicated to the public by the Compliance Officer or an Authorised Person.

(2). Except to the extent required by Applicable Law, the Investment Manager shall not undertake any obligation to update any forward looking information, and the Investment Manager will not respond, except by means of an appropriate public disclosure as provided in this Policy, to any inquiries or rumours seeking reaffirmation of such information at any date subsequent to the date that such information was originally provided.

M. **Policy Review**

The Authorized Person may review the Policy from time to time. Any material changes to the Policy will need the approval of the Board of Directors of the Investment Manager of the Trust.

N. **Conflict with Applicable Law:** The Policy shall not contradict with the provisions of any Applicable Law. In case of any discrepancy, the provisions of Applicable Law shall prevail over the provisions of this Policy.

O. 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 Shrem Infra Investment Manager Private Limited on behalf of the Trust on February 22, 2021, and amended on May 5th, 2025.
