

DETAILS OF FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS PURSUANT TO REGULATION 25 (7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (SEBI-LODR)

Shriram Transport Finance Company Limited (“the Company”) has put in place an adequate mechanism to familiarize its Independent Directors with the updates of the industry in which our company is engaged (non-banking financial company engaged in the business of asset financing), financial products, business model of our Company etc.

The familiarization commences from the stage of induction of independent director. The letter of appointment issued and other documents and information shared with the new independent director include the details about their role, rights, responsibilities, duties and liabilities under the Companies Act, 2013, SEBI-LODR, RBI directions, etc. The Company also provides to the new independent director a copy of the memorandum and articles of association, latest annual report, copy of the code of conduct for directors and senior management/code of conduct for independent directors, copy of the company’s code for prohibition of insider trading, copy of Directors & Officers liability insurance policy, etc. The Company also informs the new independent director about the various disclosures and declarations to be submitted by him / her to the Company as per the regulatory requirements and policies of the Company. The Independent Directors are given access to all information, documents, books of accounts and records of the Company required by him.

The Company also continuously updates the independent directors about the ongoing events and developments relating to the Company, significant changes in regulatory environment, redressal of customers and investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings and program(s).

The Vice-Chairman & Managing Director makes a detailed presentation to the Board of Directors at every Board Meeting which includes micro and macroeconomic factors impacting the industry in general and our Company’s business in particular, working of the Company, finance, budget, borrowings, assets under management, customers, branch network, manpower, the financial products, etc. The independent directors interact with senior management during the Board and committee meetings and familiarization programs.

The independent director get familiarize with functioning of various committee of the board and business and operations of the Company, risk management, IT strategies, internal control system, customer and shareholders redressal mechanism, CSR projects, etc. through the minutes meetings of various committees of the board, action taken report circulated/tabled at the Board meetings.

During the Financial Year 2020-21, the independent directors were updated from time to time/on continuous basis on the significant changes in the regulations including those pertaining corporate social responsibility, decriminalization of certain offences duties and responsibilities of Independent Directors under the Companies Act 2013, SEBI regulations including prohibition of insider trading regulations, RBI directions and packages to mitigate impact of COVID-19 on small borrowers, business continuity plan etc. The external experts were invited to give presentation and updates on Indian economy and impact of COVID-19 on businesses in general and NBFC sector in particular.

The independent directors get familiarize with workings of the Company during the deliberations and discussions on policies of the Company. They also participate in the discussions and deliberations in the Board meeting on challenges and opportunities while approving the annual budget.

The Company conducted 11 programs/meetings during the financial year 2020-2021 and the time spent by Independent Directors was in the range of 10-11 hours. The cumulative programs / meetings conducted till date were 44 and the time spent by Independent Directors was in the range of 37-40 hours.