SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

Intraday Borrowing Policy

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Note: This Policy is prepared keeping in mind the industry practices and the business requirements of an AMC as per SEBI Regulation and Circular. It is advised to continuously update the policy in line of the changes happening in due course of time and development in the industry practice.

Objective:

The objective of this Policy is to establish a robust framework governing the availing and management of intraday borrowing facilities by schemes of the Mutual Fund, in compliance with Regulation 42 of the SEBI (Mutual Funds) Regulations, 2026 and SEBI Circular dated July 10, 2026. The Policy sets out the purpose of utilization of such facilities, while ensuring that intraday borrowings are used exclusively to address temporary liquidity mismatches arising from differences between scheme inflows and outflows due to differences in market settlement timings and are repaid within the same business day in accordance with applicable regulatory requirements.

1) Scope:

This Policy shall apply to all schemes of the Mutual Fund that may require intraday borrowings to address liquidity mismatches due to difference in market settlement timings.

2) Purpose of Intraday Borrowing:

- Unitholder payouts (redemptions, IDCW pay-outs, interest, etc.)
- Pay-in with respect to investments made by the scheme.
- MTM obligations and foreign exchange settlements.
- Repayment of existing borrowings.

3) Quantum of Intraday Borrowings:

The quantum of intraday borrowings can be upto the total amount of receivables from the categories given below:

- Guaranteed receivables such as inflows from RBI, Clearing Corporations, subscription inflows received in scheme bank accounts etc.
- Non-guaranteed receivables sighted during the day such as inflows from maturity proceeds and/or secondary market settlement from NCDs, CP, CDs, OTC Swaps, etc. and to be received by the scheme by end of the day.
- Additional intraday borrowing may be availed solely for meeting redemption and other payouts permitted under Regulation 42(1) of SEBI (Mutual Funds) Regulations, 2026.

4) Intraday Borrowings Monitoring Mechanism and approval:

Treasury operations shall maintain a daily intraday borrowing register containing:

- Scheme name
- Intraday Borrowing amount
- Purpose of borrowing
- Expected source of repayment
- Any exception or delay

Before availing borrowing, Treasury Operations shall verify:

- Availability of identified receivables
- Borrowing amount does not exceed eligible receivables
- Purpose falls within SEBI permitted purposes
- Utilization is scheme-specific
- Regulatory limits are complied with

The details shall be sent to head of Operations/CFO for intraday borrowing requirements for approval.

At the end of the day, Treasury Operations shall intimate risk team, operations team and investments team so that all intraday borrowings are repaid before day end. If not, any unrepaid borrowing shall be escalated immediately along with reasons for delay.

Conversion to Overnight Borrowing**: -**
Where repayment is not completed by end of day and borrowing may convert into an overnight borrowing, Risk Team shall ensuring that any intraday borrowings converted to overnight borrowings are within regulatory limits and for the purposes allowed in Regulation 42(1) of SEBI (Mutual Funds) Regulations, 2026 Cost of intraday borrowing, if any, shall be borne by the AMC. Further, any loss or cost incurred, on account of any unforeseen event or delay in receiving the funds from receivables as mentioned at point 4 above, shall also be borne by the AMC

6) Review and Revision: -

This policy document shall be reviewed annually or earlier in case of any regulatory changes in this regard.