SHRIRAM
Transport Finance Company Limited
A WINNING RELATIONSHIP

SEC/FILING/BSE-NSE/20-21/68A-B November 03, 2020

BSE Limited
P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code: 511218

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor,
Plot no. C/1, G- Block,
Bandra-Kurla Complex,
Mumbai – 400051
NSE Symbol: SRTRANSFIN

Dear Sirs,

Sub.: Update on pending litigation

This has reference to our letters dated April 15, 2019, March 10, 2020, June 12,2020 and July 02, 2020 with regard to the penalty of Rs.5 crore levied by the Directorate of Enforcement (ED) on the Company vide order dated March 04, 2020 of the Special Director of Enforcement, Chennai, in the capacity of successor of interest of the erstwhile Shriram Holdings (Madras) Private Limited (SHMPL), since merged with our Company, with regard to issuance of warrants by SHMPL to a person resident outside India, alleged to be in contravention of provisions of Section 6(3)(b) of the Foreign Exchange Management Act (FEMA).

The Company had challenged the said order of ED in Hon'ble Madras High Court by filing the appropriate Writ Petition. On July 01, 2020, the Hon'ble Madras High Court had granted a conditional stay to the said order of the Special Director, ED with direction to the Company to deposit 25% penalty amount with the Hon'ble Madras High Court till disposal of the matter. The Company has deposited the amount with the Hon'ble Madras High Court. The matter is sub judice.

The Company continues to believe and hold the view that SHMPL had relevant approval for foreign equity participation up to 74% by way of investment through subscription and/or subsequent acquisition up to 74% of equity shares of SHMPL.

We inform you that the Deputy Legal Adviser, Directorate of Enforcement has filed an appeal before the Hon'ble Appellate Tribunal for Foreign Exchange, New Delhi (Appellate Tribunal) against the said order dated March 04, 2020 of the Special Director of Enforcement. The Company will contest the appeal filed in the Hon'ble Appellate Tribunal in the competent forum to seek appropriate legal remedy.

Thanking you.
Yours faithfully,
For **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED**

VIVEK MADHUKAR ACHWAL

Digitally signed by: VIVEK MADHUKAR ACHWAL
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Date: 2020.11.03 13:19:51 + 05'30'

VIVEK ACHWAL
COMPANY SECRETARY