

## **Policy for Determination and Disclosure of Materiality of Events and Information**

### **BACKGROUND**

Regulation 30 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall become applicable from December 1, 2015, i.e., within 90 days from the date of its notification on September 2, 2015. The said Regulation, *inter alia*, provides that every listed company shall make disclosures of any events or information which, in the opinion of the Board is material. It is also incumbent upon the Company to frame a policy for determination of materiality which should be duly approved by the Board and disclosed on the Company's web site.

In the light of the foregoing requirements, the Board of Directors of the Company at their meeting held on March 13, 2024, have formulated this policy for disclosure of events or information pursuant to the requirements of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **1. Types of Event or Information**

Events or information covered by this Policy shall include an event or information related to the Company's business, operations, or performance that the Company is required to be disclose in a timely and appropriate manner as under:

- events or information specified in Para A of Part A of Schedule III of Regulation 30 which are required to be disclosed without any application of the guidelines for materiality.
- events or information specified in Para B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations which are required to be disclosed based on application of materiality criteria.
- events or information with respect to subsidiaries which are material for Company.
- event or information which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on the Company.

In case an event or information is required to be disclosed by the Company in terms of Regulation 30, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

The events and information that is to be disclosed based on the principle of materiality are specified in the

#### **Annexure I.**

#### **2. Criteria for determination of materiality of events /information**

The criteria laid down in Regulation 30(4)(i) of the above Regulations shall be applied for determination of materiality of the event or information. The criteria are reproduced as under: -

- (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; and
- (c) In case the criteria specified in sub-clauses (a) and (b) are not applicable, an event / information may be treated as being material if in the opinion of the Board of Directors of listed entity, the event / information is considered material.

Further, the following materiality criteria shall be adopted in the case of the Company, its Subsidiaries and Associate

companies with respect to transactions for reporting to the Stock Exchange(s).

The event / information will be considered material based on above criteria; where the value involved or the impact:

- (a) exceeds 10% (ten per cent) of the Company's consolidated gross income; or
  - (b) exceeds 10% (ten per cent) of the Company's consolidated net worth;
- whichever is lower.

### **3. Timing of Occurrence of an event/availability of information**

In cases where an event or information requires to be approved by the Board of Directors, such event/information shall be deemed to have occurred upon receipt of approval of Board of Directors even though such approval may be subject to shareholders' approval.

In all other cases, the events/information shall be deemed to have occurred when the Company becomes aware of the events/information in the normal course of its business or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

### **4. Persons Responsible for Making Disclosure of Material Events and Information to Stock Exchanges**

Any transaction, event or information relating to the Company and/or its Subsidiaries that might be material is required to be reported immediately by the employees of the Company and/or its Subsidiaries to Key Managerial Personnel (MD / CFO / Company Secretary) of the Company. The Key Managerial Personnel will ensure that adequate disclosures with respect to such material events/information are made to the stock exchanges within the timeline prescribed under the Listing Regulations. These officials are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

### **5. Applicable Laws**

In case the provisions of this Policy are in conflict with the provisions of the applicable law (including provisions of the Companies Act or the Regulations) or any interpretation thereof, the provisions of the applicable law and the relevant interpretation thereof shall supersede the provisions of this Policy and the Company shall be entitled to act in accordance with such provisions of the applicable laws and any interpretation thereof. All actions taken by the Company in accordance with such applicable laws shall be deemed to be in consonance with this Policy.

### **6. Amendments/Modifications**

In case of any subsequent changes in the provisions of the Companies Act, 2013 or the Listing Regulations or any other applicable law which makes any of the provisions in this Policy inconsistent with the Companies Act, 2013 or the Listing Regulations or such applicable law, then the provisions of the Companies Act, 2013 or the Listing Regulations or such applicable law would prevail over the Policy and the provisions in this Policy would be modified in due course to make it consistent with such change.

## **7. Date of applicability of policy**

The above policy as approved by the Board shall be operational with effect from September 29, 2017 and the same shall be available on the Company's web site [www.sharikaindia.com](http://www.sharikaindia.com).

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**This policy was approved by the Board of Directors at their meeting held on March 13, 2024. First Modification was approved by the Board of Directors on May 25, 2019 Board Meeting (effective from April 01, 2019). Second modification was approved by the Board of Directors on November 09, 2023 (effective from July 14, 2023)**