

Shree Surgovind Tradelink Limited

Policy for Determination of Materiality of
Event / Information

POLICY FOR DETERMINATION OF MATERIALITY OF EVENT / INFORMATION

1. PREFACE

Pursuant to Regulation 30(4)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the Board of Directors (the “Board”) of Shree Surgovind Tradelink Ltd. (the “Company”) has adopted the following policy and procedures with regard to determine materiality of events or information which are required to be disclosed to the Stock Exchanges.

2. PURPOSE OF THE POLICY

The purpose of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

3. MATERIALITY

Materiality is determined in reference to “information about sustainability Performance of the Company” that is interpreted as:

- determining what issues, concerns and impacts are relevant and important to sustainability performance;
- determining why, how and at what point they are relevant and important to sustainability performance;
- determining who they are relevant and important for; and
- ensuring that the identification of material aspects, and their relation to the stakeholders for whom they are material, is fair and balanced.

4. PROCESS OF ASCERTAINING MATERIALITY AND MAKING DISCLOSURES

The Chairman / Whole – Time Director or Company Secretary should evaluate the issues, concerns and impacts of material / event to the Company and its stakeholders, and whether there are any material misrepresentations or omissions in its reporting. A material misrepresentation or omission is when information is not disclosed or, if disclosed, is in some way distorted such that it could influence the decisions, actions and behaviour of stakeholders or the Company itself.

The Chairman / Whole – Time Director or Company Secretary are responsible for determining materiality of an event or information for the purpose of making disclosures to Stock Exchange(s).

Based on the Materiality concept as stated above, there may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, Chairman / Whole – Time Director or Company Secretary should exercise his/her own judgement while assessing the materiality of events associated with the Company. In case, they perceives any doubt regarding materiality he/she may consult any other Director before disclosing the information to the Stock Exchange(s).

5. PROCEDURES TO BE FOLLOWED TO DISSEMINATE INFORMATION OF MATERIAL EVENTS/ INFORMATION

The procedure to be followed in relation to the lodgement of announcement of material event / information is as follows:

- i. If the event / information is material, the Compliance Officer will prepare communication in consultation with the Chairman / Whole Time Director.
- ii. Lodge Announcements: The Compliance Officer on behalf of the Company will lodge or arrange for lodgement of the announcement with the Stock Exchanges.
- iii. Post announcement on website: After lodgement of the announcement with the Stock Exchanges, the Compliance Officer will arrange to place it on the website of the Company.

6. DISCLOSURE OF EVENTS OR INFORMATION

A. The following events / information specified in Para A of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality:-

- i. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation: For the purpose of this sub-para, the word 'acquisition' shall mean,-

- a. acquiring control, whether directly or indirectly; or,
- b. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - there has been a change in holding from the last disclosure made under sub-clause a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.

ii. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.

iii. Revision in Rating(s).

iv. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:

a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;

b) any cancellation of dividend with reasons thereof;

c) the decision on buyback of securities;

d) the decision with respect to fund raising proposed to be undertaken

e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;

f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;

g) short particulars of any other alterations of capital, including calls;

h) financial results;

i) decision on voluntary delisting by the listed entity from stock exchange(s).

v. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

vi. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

vii. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.

viii. Appointment or discontinuation of share transfer agent.

ix. Corporate debt restructuring.

x. One time settlement with a bank.

- xi. Reference to BIFR and winding-up petition filed by any party / creditors.
- xii. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
- xiii. Proceedings of Annual and extraordinary general meetings of the listed entity.
- xiv. Amendments to memorandum and articles of association of listed entity, in brief.
- xv. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

B. The following events / information specified in Para B of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges after following the procedural guidelines as given in this Policy:

- i. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- ii. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
- iii. Capacity addition or product launch.
- iv. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- v. Agreements (viz. loan agreement(s) (as a borrower) 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.
- vi. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
- vii. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
- viii. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- ix. Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of listed entity.
- x. Options to purchase securities including any ESOP/ESPS Scheme.
- xi. Giving of guarantees or indemnity or becoming a surety for any third party.
- xii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Guidelines for determining materiality of events or information:

The following criteria shall be considered for determination of materiality of events/ information:

- (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; or
- (c) any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event / information is considered material.

7. COMMUNICATION OF THIS POLICY

A copy of this Policy shall be circulated to all Directors and employees of the Company. This Policy shall also be posted on the web-site of the Company.

8. AMENDMENT

Any change in the Listing Regulation and/or other applicable law in this regard shall automatically apply to this policy. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

9. ARCHIVAL POLICY

All information and reports uploaded / hosted on the website of the Company shall be archived after every expiry of every five years from date of its posting or hosting. The Archived documents shall be removed / deleted from the website after expiry of five years from date of its initial archive.
