

SHIVA CEMENT LIMITED

POLICY ON CRITERIA FOR DETERMINING MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION

Preface

Title	POLICY ON CRITERIA FOR DETERMINING MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION
Version Number	1.3
Effective Date	27th July 2023
Authorised by	Board of Directors
Date of Last Review / Revision	4th August, 2017
Revision Effective Date	27th July 2023

Objective

This Policy is framed in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The objective of this Policy is to determine materiality of events or information relating to the Company and to ensure that such information is disseminated in accordance with the Regulations to enable investors to be updated with changes relating to the Company to take well-informed investment decisions.

Definitions

“**Act**” means the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“**Board of Directors**” or “**Board**” means the Board of Directors of Shiva Cement Limited, as constituted from time to time.

“**Company**” means Shiva Cement Limited.

“**Key Managerial Personnel**” means key managerial personnel as defined in the Companies Act, 2013.

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“Policy” means this Policy on Criteria for Determining Materiality for Disclosure of Events or Information and as may be amended from time to time.

“Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations or any other law or regulation to the extent applicable to the Company.

Authorized Personnel

The materiality or otherwise of an event or information in terms of the Listing Regulations will be determined severally by the Whole-Time Director, Chief Financial Officer and Company Secretary ("Authorized Persons") who will ensure disclosures are made to Stock Exchange(s) in accordance with the provisions of this Policy.

The Authorized Persons will also decide the appropriate period / stage at which disclosure is to be made to the Stock Exchange(s) including details that may be disclosed.

Effective Date

This Policy is effective from 4th August, 2017.

Guidelines for Determining Materiality of Events

- A) Events specified in Schedule III Part A (A) of the Listing Regulations as amended from time to time and as enumerated in **Annexure A** are deemed to be material events and will be disclosed irrespective of application of any quantitative and qualitative materiality thresholds.
- B) The following guidelines will be applied for determining materiality for events specified in Schedule III Part A (B) of the Listing Regulations and as enumerated in **Annexure B**.

Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the event / information.

- 1) In order to determine whether a particular event / information is material in nature, 'quantitative' criteria will be applied. 'Quantitative' criteria means the total monetary impact of the event / information whose value or the expected impact in terms of value, exceeds the lower of the following:
- 2% of turnover, as per the last audited consolidated financial statements;
 - 2% of net worth, as per the last audited consolidated financial statements, except in case the arithmetic value of the net worth is negative;
 - 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements
- 2) In circumstances where 'quantitative' test may not be applicable or cannot be applied, a 'qualitative' or 'subjective' criteria as under will be applied to determine materiality:
- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
 - 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

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- c. in case where 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 the Company, the event / information is considered material; or
 - d. any event or information having a significant risk to the reputation of the Company; or
 - e. in the opinion of the Authorized Persons or Board of Directors of the Company, the event / information ought to be disclosed.
- C) In determining materiality, a number of factors such as the nature of the information (both quantitative and qualitative), prevailing market conditions, general business practices, industry scenario, business outlook, etc. shall also be taken into consideration.
- D) The Company will generally endeavour to disclose material information concerning the business and affairs of the Company promptly, except when required for the purpose of maintaining the confidentiality of the information.
- E) Any other information / event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

Guidelines for Disclosure of Material Events

The Company may make disclosures of event / information as specified by SEBI from time to time.

- 1) The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of Listing Regulations not later than the following:
- i. 30 minutes from the closure of the meetings of the board of directors in which the decision pertaining to the event or information has been taken;
 - ii. 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
 - iii. 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company;

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines:

Provided further that in case the disclosure is made after the timelines specified under Listing regulation, the Company shall, along with such disclosure provide the explanation for the delay.

- 2) In case an event or information is required to be disclosed by the Company in terms of Listing Regulation, 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.

Dissemination

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company.

Disclosures

The Authorized Persons may sign the disclosures to be sent to the Stock Exchange(s) and upload on the website for the purposes of fulfilling the obligations under the Listing Regulations.

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Annexure A

Annexure A-1

**EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE
GUIDELINES FOR MATERIALITY**

As Specified in Para A of Part A of Schedule III of the Regulations

Annexure A-2

**EVENTS WHICH SHALL BE DISCLOSED WITHIN 30 MINUTES OF THE CLOSURE OF THE
MEETING OF THE BOARD OF DIRECTORS**

As Specified in Para A 4 of Part A of Schedule III of the Regulations

Annexure B

**ILLUSTRATIVE LIST OF EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF
THE GUIDELINES FOR MATERIALITY**

As Specified in Para B of Part A of Schedule III of the Regulations

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