

**SHIVA CEMENT LIMITED**

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

***Preface***

<b>Title</b>	<b>POLICY ON CRITERIA FOR DETERMINING MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION</b>
<b>Version Number</b>	<b>1.4</b>
<b>Effective Date</b>	<b>4<sup>th</sup> February, 2025</b>
<b>Authorised by</b>	<b>Board of Directors</b>
<b>Date of Last Review / Revision</b>	<b>27<sup>th</sup> July 2023</b>
<b>Revision Effective Date</b>	<b>4<sup>th</sup> February, 2025</b>

***Background***

The Securities and Exchange Board of India (SEBI), has notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) and applicable amended regulations from time to time. In terms of Regulation (30) of the Regulations which are applicable to all companies whose securities are listed on stock exchanges, a listed entity is required to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, duly approved by its Board of Directors and disclose the same on its official website.

***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.

“**Board Meeting**” means meeting of the Board of Directors of Shiva Cement Limited.

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

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

**“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.

**“Material Event”** or **“Material Information”** means any event or information as set out in Para “A” of PART A of Schedule III of the Regulations, or as may be determined in terms of Clause 4 of this Policy.

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
  - 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 /

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- 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 endeavor 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;
 

*Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.*

*Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.*
  - 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 if all the relevant information, in respect of claims which are made against the listed entity under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8 of paragraph B of Part A of Schedule III, is maintained in the structured digital database of the listed entity in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity.

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.

*Explanation: Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors.*

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- 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.
- 3) The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Regulations, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.
- 4) The Company shall, with respect to disclosures referred to in this regulation, will make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- 5) The Company shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any events or information.

***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.

Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of the listed entity for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.

***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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