

**DETERMINATION OF MATERIALITY THRESHOLD FOR DISCLOSURE
OF EVENTS**

[Pursuant to SEBI (LODR) Regulations 2015]

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2	12/07/2023	Amendments in SEBI (LODR)Regulations, 2015
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1. PREAMBLE:

This policy (“Policy”) of Sahyadri Industries Limited (“Company”) has been prepared and adopted in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023

Regulation 30(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every Listed Company to disclose events or information which, in the opinion of the Board of Directors of a Company is material.

2. OBJECTIVES OF THIS POLICY:

- To determine the materiality of an event or information;
- To ensure timely, accurate, uniform and transparent disclosure of all such events or information considered material as per this policy.

3. MATERIALITY CRITERIA:

The Company shall consider the events or information as material (“materiality criteria”) based on following criteria:

- 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) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - (2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - (3) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;

In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company, the event or information is considered material.

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the Company within thirty days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023

(4) DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION:

- The events or information specified in Para A of Part A of Schedule III of SEBI (LODR) Regulation 2015 will be considered as deemed material events and thus will be disclosed to the Stock Exchanges without application of the materiality criteria.
- The events or information specified in Para B of Part A of Schedule III of SEBI (LODR) Regulation 2015 will be disclosed based on application of the materiality criteria, as specified in sub-regulation (4) of Regulation 30 of SEBI (LODR) Regulations, 2015
- In addition to the above, Para C and Para D of Schedule III of SEBI LODR requires the disclosure of the following:
 - i. Major development that is likely to affect business, e.g. emergence of new technologies;
 - ii. Expiry of patents if any

- iii. Any change of accounting policy that may have a significant impact on the accounts, etc.;
- iv. Any other information which is exclusively known to the Company and which may be necessary to enable the holders of the securities of the Company to appraise its position and avoid establishment of any false market in such securities; and
- v. Any other disclosure as may be specified by SEBI from time to time.

The Company Shall Disclose to the Stock Exchange or any other Regulatory authorities all such information within such time lines as given in the acts or regulations as below:

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

(i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;

(ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;

(iii) twenty four 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 this regulation, the Company shall, along with such disclosure provide the explanation for the delay.”

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

DISCLOSURE REQUIREMENTS FOR CERTAIN TYPES OF AGREEMENTS BINDING ON THE COMPANY:

- 1) All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of Company or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to these regulations, shall inform the Company about the agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements:

Provided that for the agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III, the parties to the agreements shall inform the Company about the agreement to which such Company is not a party and the Company shall in turn disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.

- 2) The Company shall disclose the number of agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III, their salient features, including the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24

(5) AUTHORITY TO MAKE DISCLOSURES:

As per SEBI (LODR) Regulations 2015, the Board of directors has severally authorized the following persons to determine materiality of an event or information in terms of this policy and to make appropriate disclosure to the stock exchanges.

- Any Executive Director;
- Chief Financial Officer;
- Company Secretary

The relevant employees of the Company shall identify the material events or information as defined in the policy and report the material events or information to the above persons as authorized by the Board of Directors to determine materiality of an event or information in terms of this policy and to make appropriate disclosure to the stock exchanges.

DEFINITION OF RELEVANT EMPLOYEES:

1. All the Directors and KMP of the Company
2. All the functional/Departmental Heads of the Company

The authorized personnel shall ensure the following:

- i. Determine the materiality of an event or information for the purpose of making disclosures to Stock Exchanges.
- ii. Give specific and adequate reply to all queries raised by the stock exchanges with respect to any event or information.
- iii. Voluntarily confirm or deny any reported event or information to stock exchanges.
- iv. Unless hurdled by any unavoidable circumstances, shall disclose information to the respective authorities within the time limit given in the acts or regulations.
- v. In case of an ongoing material event or information, make disclosures updating material development on a regular basis, till such time an event is resolved or closed, with relevant explanations.
- vi. any amendments in SEBI (LODR) Regulation, 2015 made from time to time shall

prevail upon the provisions mentioned in the policy.

.....*End of the Policy*.....