

SUPERSHAKTI METALIKS LIMITED

Policy on Determination of Materiality

Effective Date - July 14, 2023

[As revised and approved by Board of Directors on August 18, 2023]

Supershakti Metaliks Limited

Policy on Determination of Materiality

1. Scope and Purpose

This Policy on Determination of Materiality (the 'Policy') has been originally adopted by the Board of Directors of the Company in accordance with the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) at its Meeting held on 10th May, 2018. In view of the amendments made in the Listing Regulations, *vide* SEBI Notifications dated 14th June, 2023 the Policy has been revised with effect from 14th July, 2023.

2. Applicability

This Policy shall be applicable on all events in the Company, as and when they come under the criteria enumerated in the Policy. This Policy shall be implemented as per the provisions of the applicable laws. Any amendments in the applicable laws, including any clarification/ circulars of relevant Regulator, shall be read into this Policy such that the Policy shall automatically reflect the contemporaneous applicable laws at the time of its implementation.

3. Definitions

3.1 "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 existing or to be incorporated whether directly or indirectly such that –
 - i. the Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company; or
 - ii. there has been a change in holding from the last disclosure made under sub-clause (i) of clause (b) above and such change exceeds two per cent of the total shareholding or voting rights in the said company;
 - iii. the cost of acquisition or the price at which the shares are acquired exceeds the lower of the following:
 - two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - 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 Company.

- 3.2 “Agreement”** shall include shareholder agreement, joint venture agreement, family settlement agreement to the extent the same impacts the management and control of the Company and agreement, treaty or contract with media companies, which are binding and not in normal course of business and revision, amendment and termination thereof;
- 3.3 “Board”** shall mean the Board of Directors of the Company;
- 3.4 “Committee”** shall mean a Committee constituted by the Board for the purpose of determination of materiality under this Policy, which shall consist of two or more Key Managerial Personnel/ Director of the Company as may be decided by the Board from time to time;
- 3.5 “Company”** shall mean Supershakti Metaliks Limited;
- 3.6 “Compliance Officer”** shall mean the Company Secretary of the Company;
- 3.7 “Convertible Security”** means a security which is convertible into or exchangeable with equity shares of the issuer at a later date, with or without the option of the holder of the security and includes convertible debt instrument and convertible preference shares;
- 3.8 “Designated securities”** means-
- Specified securities;
 - Non-convertible debt securities;
 - Non-convertible redeemable preference shares;
 - Perpetual debt instrument;
 - Perpetual non-cumulative preference shares;
 - Indian Depository Receipts;
 - Securitised debt instruments;
 - Units issued by mutual funds; and
 - Any other securities as may be specified by the Securities and Exchange Board of India;
- 3.9 “Expected Impact in terms of value”** shall mean the monetary impact of an event or information, whether immediate or over a period of time, directly relatable to or occasioned by the event or information, on the basis of the full expected potential of the event or information, whether on turnover, net worth or profit/ loss of the Company as ascertained or expected at the time of occurrence of the event or information.
- 3.10 “Key Managerial Personnel/KMP”** means Key Managerial Personnel as defined in Sub- section 51 of Section 2 of the Companies Act, 2013
- 3.11 “Information or Market Sensitive Information”** shall mean information concerning the Company that is expected to have a material effect on the price or value of its securities or significantly influence an investor’s decision to buy, sell or maintain such securities.
- 3.12 “Insolvency Code”** means the Insolvency and Bankruptcy Code, 2016;
- 3.13 “Officer”** shall have the same meaning as assigned to the term in Sub-section 59 of Section 2 of the Companies Act,2013 and shall include Promoters of the Company;

- 3.14 "Promoter"** shall have the same meaning as assigned to the term in Clause (za) of Sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- 3.15 "Relevant Employees"** shall include such employee(s), / personnel(s), / heads of various departments, / divisions/ functions, KMPs, Senior Management Personnels (SMPs), as identified based on the criteria laid by the Managing Director of the Company from time to time.
- 3.16 "Stock Exchange"** means a recognized stock exchange as defined under Clause (f) of Section 2 of the Securities Contracts (Regulation) Act, 1956;
- 3.17 "Specified securities"** means 'equity shares' and 'convertible securities' as defined under Clause (zj) of Sub-regulation (1) of Regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- 3.18 "Subsidiary"** means a subsidiary as defined under Sub-section (87) of Section 2 of the Companies Act, 2013.

4 Types of events to be considered as 'Material'

- 4.1** An information or an event is considered to be material when it is likely to impact the normal price or value of the securities of the Company. Where the price or value of the securities of the Company in the normal course is likely to be affected on the basis of the disclosure or non-disclosure of an event or information, such event or information is to be regarded as material.
- 4.2** Events/information to be considered "Material" are divided into following categories:
- (a) Events specified in Para A, Part A of Schedule III of the Listing Regulations which are deemed material events, shall be disclosed by the Company without applying any guidelines/criteria (provided in Annexure "I");
 - (b) Events specified in Para B, Part A of Schedule III of the Listing Regulations, the materiality of which has to be determine based on the application of following guidelines for materiality (provided in Annexure "II")

Guidelines for determination of Materiality

- i. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. 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
- iii. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - a. two percent of turnover, as per the last audited consolidated financial statements of the Company;

- b. two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
- c. 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 Company;

[Note: The average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration]

- iv. In case where the criteria specified in sub-clauses (i), (ii) and (iii) are not applicable, an event/information may be treated as being material if in the opinion of the Board, the event / information is considered material.
- (c) 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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
- (d) Any event which in the view of the Securities and Exchange Board of India is material.
- (e) Event which has not been indicated in Part A of Schedule III, but which may have material effect on Company.

4.3 Apart from the above, the Company shall also disclose the following events/information:

- (a) Any material development with respect to the disclosures referred in 4.2 above, till the time such event is closed/resolved, with relevant explanation;
- (b) All events or information with respect to subsidiaries which are material for the Company;

5 Administrative Measures and Disclosure Requirements

- 5.1** Unless otherwise decided by the Board, the Committee of the Key Managerial Personnel and/or Director(s) constituted for the purpose of determination of materiality for the time being shall be authorized for the purpose of determining materiality of an event or information, and further the members of the Committee and the Company Secretary are severally authorized for making disclosures to the stock exchange.
- 5.2** The Committee so constituted may also be guided by previous guidance of SEBI or comparable international Regulators about materiality, while expressing a view on whether the information is material/ market sensitive or not.
- 5.3** Events/ information with respect to subsidiaries not covered above which are material for the Company, determined based on their impact on consolidated results which may result in a

Significant Market Reaction for the Company, shall also be disclosed to the stock exchanges in accordance with SEBI Regulations.

- 5.4** The Managing Director/Chairman of the Company shall identify the Relevant Employees and shall periodically review the list of relevant employees for the purpose of this Policy. The said Relevant employees shall be responsible for keeping a track of potential material events/information that might originate within or outside the Company and report the same to the Authorised KMP(s) and/or Director(s) for the purpose of determining materiality of those information/event.
- 5.5** The Committee or Officer (KMP) so authorized shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Stock Exchanges.
- 5.6** The Company shall first disclose to the Stock Exchange all events or information which are material in terms of the provisions of Regulations, 2015 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.
- 5.7** The disclosure w.r.t. events for which specific timelines have been specified in Part A of Schedule III of the Regulations, 2015, shall be made within such timelines from time to time along with necessary explanations.
- 5.8** In case of information not emanating from within the Company, the timeline as specified in the aforesaid Annexures shall apply from the time the Authorised KMP became aware or may be reasonably expected to become aware about such event or information.
- 5.9** As regards details to be provided while disclosing events specified in Part A of Schedule III, the Company shall follow the instructions and guidance provided by SEBI from time to time.
- 5.10** Disclosure of events made to the stock exchange(s) pursuant to this Policy, 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.

6 Guidance on when an event/information is deemed to be occurred

- 6.1** The events/information shall be said to have occurred upon approval by the Board, e.g. further issue of capital by rights issuance and in certain events/information after approval of both i.e. Board and shareholders that is to say, after the approval of the shareholders of the Company;
- 6.2** The events/ information that may be of price sensitive nature such as declaration of dividends etc., on receipt of approval of the event by the Board, pending Shareholder's approval;

- 6.3 In the events/information such as natural calamities, disruption, etc. can be said to have occurred when the Company becomes aware of the events/information, 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.

7 **Authority for determination of materiality and disclosure**

Authority for determination: The Committee of following Key Managerial Personnel/Whole-time Director of the Company for the purpose of determining materiality of an event or information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), 2015:

Name	Designation	Contact Details
Mr. Dilipp Agarwal	Director	dilip@supershakti.in +91-33-2289 2734
Mr. Deepak Agarwal	Director	deepak@supershakti.in +91-33-2289 2734
Mr. Sudipto Bhattacharyya	Whole-Time Director	sudiptobhattacharyya1972@gmail.com +91-33-2289 2734

Authority for disclosure: In addition to the above, Mr. Navin Agarwal, Company Secretary & Compliance Officer of the Company (Email ID: navin.agarwal@supershakti.in; Phone No.: +91-33-2289 2734), is severally authorised for the purpose of making disclosures to the Stock Exchange(s) pursuant to the aforesaid Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), 2015.

8 **Interpretation**

In any circumstances where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard as may be amended from time to time.

9 **Authority to make alterations**

The Board is authorized to make such alterations to this Policy as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations.

Annexure-I

The following events, as specified in Paragraph (A) of Part A of Schedule III of the SEBI Regulations, shall be deemed to be material events and shall be disclosed to the Stock Exchanges without any application of the guidelines for materiality within the specified timeline (*as specified by SEBI in the Circular dated 13th July, 2023*):

Para / sub-para	Events	Timeline for disclosure
A.	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):	
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.	Within 12 hours *
2.	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.	Within 12 hours *
3.	New Ratings(s) or Revision in Rating(s).	Within 24 hours
4.	Outcome of Meetings of the board of directors	Timeline as specified in sub- para 4 of Para A of Schedule III.
5.	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	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
5A.	Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding,	Within 12 hours * (for agreements where listed entity is

	<p>subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:</p> <p>Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.</p>	<p>a party);</p> <p>Within 24 hours (for agreements where listed entity is not a party).</p>
6.	<p>Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.</p>	<p>Within 24 hours</p>
7.	<p>Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.</p>	<p>Within 12 hours * (except in case resignation);</p> <p>Within 24 hours (in case of resignation)</p>
7A.	<p>In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor.</p>	<p>Timeline as specified in sub- para 7A of Para A of Schedule III.</p>
7B.	<p>Resignation of independent director including reasons for resignation.</p>	<p>Timeline as specified in sub- para 7B of Para A of Schedule III.</p>
7C.	<p>Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director.</p>	<p>Timeline as specified in sub- para 7C of Para A of Schedule III.</p>
7D.	<p>In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty-five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).</p>	<p>Within 12 hours *</p>

8.	Appointment or discontinuation of share transfer agent.	Within 12 hours *
9.	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.	Within 24 hours
10.	One time settlement with a bank.	Within 24 hours
11.	Winding-up petition filed by any party / creditors.	Within 24 hours
12.	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.	Within 12 hours *
13.	Proceedings of annual and extraordinary general meetings of the listed entity.	Within 12 hours *
14.	Amendments to memorandum and articles of association of listed entity, in brief.	Within 12 hours *
15.	(a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors. (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.	Timeline as specified in sub- para 15 of Para A of Schedule III.
16.	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.	Within 24 hours
17.	Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities: (a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; (b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the Management, if any.	Within 12 hours * (if initiated by the listed entity); Within 24 hours (if initiated by external agency).
18.	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed Entity.	Within 24 hours
19.	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:	Within 24 hours

	<ul style="list-style-type: none"> (a) search or seizure; or (b) re-opening of accounts under section 130 of the Companies Act, 2013; or (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; 	
20.	<p>Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:</p> <ul style="list-style-type: none"> (a) suspension; (b) Imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called; 	Within 24 hours
21.	Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.	Within 12 hours *

* **Note:** In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.

ANNEXURE-II
EVENTS OR INFORMATION ON WHICH MATERIALITY GUIDELINES SHALL APPLY

The following events, as specified in Para B of Part A of Schedule III of the SEBI Regulations, shall be disclosed to the Stock Exchanges, upon application of materiality guidelines specified in Para 4 of the Policy, within the specified timeline (*as specified by SEBI in the Circular dated 13th July, 2023*):

Sub-para	Events	Timeline for disclosure
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	Within 12 hours *
2.	Any of the following events pertaining to the Company: (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (b) adoption of new line(s) of business; or (c) Closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).	Within 12 hours *
3.	Capacity addition or product launch	Within 12 hours *
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Within 24 hours
5.	Agreements (viz. loan agreement(s) 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.	Within 12 hours * (for agreements where the Company is a party); Within 24 hours (for agreements where the Company is not a party).
6.	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.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the Company.	Within 24 hours
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company	Within 24 hours

Sub-para	Events	Timeline for disclosure
9.	Frauds or defaults by employees of the Company which has or may have an impact on the Company	Within 24 hours
10.	Options to purchase securities including any ESOP/ESPS Scheme	Within 12 hours *
11.	Giving of guarantees or indemnity or becoming a surety by whatever name called for any third party.	Within 12 hours *
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours *