



SHYAM METALICS AND ENERGY LIMITED

**POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS
AND INFORMATION FOR DISCLOSURE TO THE
STOCK EXCHANGE**

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Policy for Determination of Materiality of events and information for Disclosure to the Stock Exchange

Name of Policy	Policy for Determination of Materiality of events and information for Disclosure to the Stock Exchange
Last Amended on	27 July, 2023
Authority approving the Policy	Board of Directors

Scope and Purpose

The Securities and Exchange Board of India, on 2 September, 2015, has come out with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations). By virtue of the said Regulations, **Shyam Metals and Energy limited** (the “Company”) recognizes the need to frame a policy to determine the material events by testing the materiality as required under Regulation 30 of the Listing Regulations, as amended from time to time, for the purpose of proper, sufficient and timely disclosure of the same to the Stock Exchange (where the Company’s equity shares are listed, herein after called “the Exchange”).

The purpose of this Policy is to ensure fair disclosure of material information to the public and to make sure that the disclosure is prompt, correct, relevant and not misleading and that all market participants have simultaneous access to any share price sensitive information. This document describes the Company’s general guidelines for disclosing information to company’s stakeholders and other media and defines the responsibilities especially in matters relating to information disclosure and investor relations.

SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 dated 14 June, 2023 read with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July, 2023, introduced new threshold-based criteria and timelines for determination of materiality of events/information. The said amendments are effective from 14 July, 2023.

1. Applicability

This Policy shall be applicable to all events in the Company, as and when they come under the criteria enumerated in the Policy and is intended to identify material events and information and upon occurrence of which the Company shall make disclosure to the Stock Exchange(s) where the securities of the Company are listed.

2. Definitions

- 2.1. **“Board”** shall mean the Board of Directors of the Company;
- 2.2. **“Company”** shall mean Shyam Metals and Energy Limited;
- 2.3. **“Compliance Officer”** shall mean the Company Secretary of the Company;
- 2.4. **“Key Managerial Personnel / KMP”** means Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013 i.e.-
 - a. Chief Executive Officer (CEO)/ Managing Director (MD)/ Manager;
 - b. Whole-time Director (WTD);
 - c. Chief Financial Officer (CFO);
 - d. Company Secretary (CS);

- e. such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board of Directors.

- 2.5. **“Mainstream Media”** shall include print or electronic mode of the following:
 - i) Newspapers registered with the Registrar of Newspapers for India;
 - ii) News channels permitted by Ministry of Information and Broadcasting under Government of India;
 - iii) Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
 - iv) Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;
- 2.6. **“Market Sensitive Information”** shall mean information concerning the Company that a reasonable person would expect to have a material effect on the price or value of its securities or information which causes the market to maintain the price of security at or about its current level when it would otherwise be expected to move materially in a particular direction, given price movements in the market generally or in the Company’s sector.
- 2.7. **“Officer”** means as assigned to the term in clause (59) of Section 2 of the Companies Act, 2013 and shall include Promoters of the Company.
- 2.8. **“SEBI LODR Regulations”** shall mean SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended from time to time.

3. Policy

- A. Unless otherwise decided by the Board, the Chairman and /or Managing Director of the Company shall be authorized for the purpose of determining materiality of an event or information and the Company Secretary is authorised for making disclosures to the Stock Exchange(s) for any event/information as per Regulation 30(5) of the SEBI LODR Regulations.

The contact details of the KMPs so designated have been disclosed to the Stock Exchange and are also placed on the Company’s website.

- B. Events/Information upon occurrence as specified in Para A of Part A of Schedule III of the SEBI LODR Regulations, as amended from time to time, shall be considered as Material Information.
- C. Further, disclosure of Events/Information as specified in Para B of Part A of Schedule III and Part B, C & D of Schedule III of the SEBI LODR Regulations, as amended from time to time, shall be considered as Material Information under the circumstances as mentioned in Point D below:
- D. The Company shall consider the following criteria for determination of materiality of events/ information:
 - 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:
 - 2 (two) percent of turnover, as per the last audited consolidated financial statements of the Company;
 - 2 (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;
 - 5 (five) percent of the average of absolute value of profit or loss after tax, as per the last 3 (three) audited consolidated financial statements of the Company.
- iv. In case where the criteria specified in sub-clauses i, ii and iii 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.

This Policy for determination of materiality shall assist the relevant employees of the Company in identifying any potential material event or information and reporting the same to the authorised Key Managerial Personnel, for determining the materiality of the said event or information and for making necessary disclosures, if required, to the Stock Exchange(s) where the securities of the Company are listed.

4. Interpretation

In any circumstance 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.

5. Disclosure

The authorized persons shall observe the following for proper and timely disclosure to the Stock Exchange of any material events/ information as defined hereon:

- 5.1. For determining materiality of any event/transaction, reference is to be made to this Policy and the SEBI LODR Regulations. The Company shall first disclose to the Stock Exchange(s) all events or information which are material.
- 5.2. Disclosure with respect to the events for which timelines have been specified in Part-A of Schedule III of the SEBI LODR Regulations shall be made within such timelines.
- 5.3. All other events other than those mentioned in 5.2. above shall be disclosed as soon as reasonably possible and in any case not later than the following:
 - i. 30 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. 12 (twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;

- iii. 24 (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 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.

- 5.4. Disclosure of any material development of any event/information disclosed in past shall be made on a regular basis of any event, till the time the event is resolved/closed, with relevant explanations.
- 5.5. All the disclosures made to the Stock Exchange(s) under this Policy shall also be disclosed on the Website of the Company and the same shall be hosted for a minimum period of 5(five) years and thereafter as per the archival policy of the Company.
- 5.6. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.
- 5.7. The Company shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information.
- 5.8. The Company may on its own initiative also, confirm or deny any reported event or information to Stock Exchange(s).

Provided that the top 100 listed entities w.e.f 1 October, 2023 and thereafter the top 250 listed entities w.e.f 1 April, 2024, shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information are circulating amongst investing public, as soon as reasonably possible and not later than 24 (twenty four) hours from the reporting of the event or information.

Top 100 and 250 listed entities shall be determined on the basis of market capitalisation, as at the end of the immediately preceding financial year.

- 5.9. In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.

6. Authority to make alterations

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