

# **STANDARD INDUSTRIES LTD.**

## **POLICY FOR DETERMINATION OF MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION**

### **I. Introduction:**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) have come into force from 1<sup>st</sup> December, 2015.

Regulation 30 of the Listing Regulations requires the listed companies to frame a policy, approved by its board of directors, for determination of materiality of any event(s)/ information to be disclosed to the stock exchanges.

Accordingly, this policy is framed as per the requirements of Regulation 30 of the Listing Regulations and has been adopted by the Board of Directors.

### **II. Purpose & Scope of the Policy:**

This policy is intended to assist the employees of the Company in identifying potential material event(s)/ information which they can promptly apprise to the authorised Key Managerial Personnel or other officers of the Company, as specified in this Policy for:

- determining the materiality of the said event(s)/ information and for making necessary disclosure to the Stock Exchanges;
- ensuring to safeguard the interest of the Company by enabling;
- promoting greater transparency; and
- ensuring compliance with the Listing Regulations.

The policy will be applicable to the Company.

### **III. Officer Responsible:**

The Executive Director, Vice President (Legal) & Company Secretary and Chief Financial Officer of the Company shall be responsible for determining the materiality of an event/ information for the purpose of making disclosures to stock exchange(s), as applicable and ensuring overall compliance of this Policy.

The contact details of the persons authorized to determine materiality of event(s)/ information under this Policy are as follows:

Mr. D. H. Parekh, Executive Director Email: <a href="mailto:stanrosemafatlal@gmail.com">stanrosemafatlal@gmail.com</a> Phone No.: 022-23527600	Mrs. T. B. Panthaki, Vice President (Legal) & Company Secretary Email: <a href="mailto:standardgrievances@rediffmail.com">standardgrievances@rediffmail.com</a> Phone No.: 022-61391200	Mr. J. R. Shah, Chief Financial Officer Email: <a href="mailto:stanrosemafatlal@gmail.com">stanrosemafatlal@gmail.com</a> Phone No.: 022-23527600
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#### **IV. Events which are deemed to be material events:**

The Company shall consider event(s)/ information specified in Para A of Part A of Schedule III of the Listing Regulations (as amended from time to time) as material and make disclosure as and when they occur without any application of guidelines for materiality as specified in Regulation 30(4).

#### **V. Events which are subject to application of guidelines for materiality:**

The Company shall consider event(s)/ information specified in Para B of Part A of Schedule III of the Listing Regulations (as amended from time to time) based on application of materiality guidelines specified in regulation 30(4) of the Listing Regulations (as amended from time to time).

#### **Guidelines for determining materiality of events or information as provided under Regulation 30(4):**

**Quantitative criteria** would be calculated based on audited consolidated financial statements and would mean an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:

- a) 2% of consolidated turnover, as per the last audited consolidated financial statements of the Company; or
- b) 2% of consolidated 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); or
- c) 5% of average of absolute value of consolidated profit or loss after tax for last 3 audited consolidated financial statements of the Company.

**Qualitative criteria** encompass situations where:

- a) the omission of an event/ information, which is likely to result in discontinuity or alteration of event/ information already available publicly; or
- b) the omission of an event/ information is likely to result in significant market reaction if the said omission came to light at a later date; or
- c) Any event or information having a significant risk to the reputation of the Company

- d) any other event/information may be treated as being material on case-to-case basis depending on specific facts and circumstances relating to the information/event as may be determined by the Board of directors of Company.

## **VI. Disclosure**

- a) All event(s)/information identified as material in line with the regulation and under this Policy shall be disclosed as soon as reasonably possible and in any case not later than the following:
  - i. For all material event(s)/information for which decision is taken in a Board meeting within 30 minutes from the closure of the board meeting;
  - ii. For all material event(s)/information emanating from within the Company within 12 hours from the occurrence of the event or information;
  - iii. For all material event(s)/information relating to the Company but emanating from outside the Company within 24 hours from the occurrence of the event or information.
- b) In order to bring clarity in the disclosure of events / information, SEBI has prescribed the timelines within which events / information specified in Para A to D of Schedule III of the Listing Regulations needs to be disclosed. The Company shall ensure compliance with the same, as applicable.
- c) In case the disclosure is made after the timelines specified above of the occurrence of such event/information, the Company shall, along with such disclosure(s) provide an explanation for the delay.
- d) Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed for further evaluation, to the Officer Responsible.
- e) Disclosure on website
  - i. As required under the SEBI Listing Regulations, the Policy will be disclosed on the website of the Company.
  - ii. Further, the Company shall disclose on its website all such events or information which have been disclosed to the stock exchange(s) under these Listing Regulations and such disclosure 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. Any change in the content of its website shall be updated within two working days from the date of such change in content.

## **VII. Occurrence of event / information for disclosures under Regulation 30 of Listing Regulations:**

- a) The occurrence of material events/ information:
  - i. depends upon the stage of discussion, negotiation or approval; and
  - ii. in other cases such as natural calamities disruptions, it would depend upon the timing when the company became aware of the event/information.
- b) In case of VII(a)(i) above, the events/information can be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

In case in-principle approval or approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under regulation 30 of the LODR Regulations.

- c) In case of VII(a)(ii), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

The term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include Promoter of the Company.

## **VIII. Administration:**

- a) The Officer Responsible shall be jointly or severally authorized to determine materiality of an event or information for the purpose of making disclosure to the Stock Exchanges under Regulation 30 of Listing Regulations.
- b) Contact details of Officer Responsible shall be disclosed to the stock exchange and as well as on the listed entity's website.
- c) The Authorized Persons may seek external expert's advice where if required so as to guide them in determining whether the information is required to be disclosed in accordance with the terms of this Policy and Listing Regulations.

**IX. 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 this Policy until such time as this Policy is changed to conform to the law, rule, regulation or standard.

**X. Amendment:**

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, in accordance with the applicable provisions of law.

**The policy was originally approved & adopted by the Board of Directors at their meeting held on February 12, 2016 and subsequently revised and effective from July 28, 2023.**