



## **POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS**

### **1. Statutory Mandate**

The Board of Directors (The “Board”) of Steel Exchange India Limited (the “Company”) has adopted the following Policy and procedures with regard to determination and disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. Regulation 30(4) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) requires every listed entity to frame a policy for determination of materiality of events and information that requires appropriate disclosure to the stock exchanges.

### **2. Objective and Scope**

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined. The purpose of this documents to present a high-level policy statement for Steel Exchange India Limited regarding disclosure of material events / information in accordance with the provisions of Listing Regulations. The Policy is intended to define the Company’s Policy on determination and disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other Executives and staff working in the Company in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company. The Policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the Company.

All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

### **3. Definitions:**

**“Audit Committee or Committee”** means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of Listing Regulations and the Companies Act, 2013.

**“Board of Directors or Board”** means the Board of Directors of Steel Exchange India Limited, as constituted from time to time.





**“Company”** means a Steel Exchange India Limited.

**“Compliance Officer”** for the Purpose of complying with the provisions of Listing Regulations shall be the Company Secretary of the Company or the person so appointed by the Board.

**“Policy”** means **Policy on Determination and Disclosure of Materiality of Events** of the Company as amended /modified from time to time.

**"Promoter"** and **"Promoter Group"** shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**“Material Events”** are those that are specified in Para A of Part A of Schedule III of the Listing Regulations.

**“Other Events”** are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4) of Regulation 30 of the Listing Regulations.

**“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**“Key Managerial Personnel”** (‘KMP’) of the Company includes Managing / Whole-time Directors, Chief Financial Officer / Vice President Finance and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.

**“Subsidiary”** means a subsidiary as defined under Sub-section (87) of Section 2 of the Companies Act, 2013;

#### **4. Events which are deemed to be Material Events**

The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the Listing Regulations (as applicable from time to time) without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the Listing Regulations.





## 5. Events which are dependent on application of Guidelines for Materiality

The Company shall disclose all such material events pertaining to itself or its subsidiary(ies), specified in Para B of Part A of Schedule III of the Listing Regulations subject to application of guidelines for materiality.

### **Guidelines for determining Materiality of Events or Information:**

Quantitative criteria would be calculated based on audited financial statements of the last audited financial year, and would mean event/ information where the value involved or the impact:

- a) Exceeds 10% of the consolidated gross turnover, or
- b) Exceeds 10% of the consolidated net worth;  
whichever is lower.

### **Qualitative criteria would mean an event/ information:**

- 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) any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event / information is considered material.

## 6. Authority for Determination of Materiality of Events / Information

The Board of Directors of the Company have authorised the KMP to determine the materiality of an event or information and to make appropriate disclosure on a timely basis. The KMPs are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The KMPs shall have the following powers and responsibilities for determining the material events or information:

- a. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.





- d. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- e. To disclose all events or information with respect to the subsidiaries which are material for the Company.

#### **7. Website Updation / Updates to Stock Exchanges**

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company. The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates shall also be hosted on the website of the Company.

#### **8. Disaster Preparedness**

The Company maintains a system designed to ensure safety of staff as well as members of the general public, safeguard the documents and records pertaining to all material / non-material events and information which would enable a return to normal operating with minimal disruption. Detailed procedures for responding to an incident are part of the system. In the event of major incident, the first priority is the safety of the people, followed by immediate action to rescue or prevent further damage to the records. Depending on the immediate threat, emergency response and recovery actions will take precedence over all other Company activities. The Company has made appropriate provision for the backup of its digital collections, including the provision of offsite security copies. The backup copies are actively maintained to ensure their continued viability. The system ensures that the digital collections and technical infrastructure required to manage and access them can be restored in the event of an emergency.

#### **9. Disclosure of Events / Information on Subsidiaries**

The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.

#### **10. Authorisation to KMPs to suo-moto accept / deny reported Event or Information**

The KMPs are hereby jointly and severally authorised to suo-moto accept / deny any report event or information, which has been unauthorizedly made public by media or by any other means including but not limited to electronic means. They are further authorised to





respond to the rumours amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company. Such action taken by the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.

**11. Policy Review**

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors. 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 and procedures until such time as this Policy is changed to confirm to the law, rule, regulation and standard.

**12. Contact Details**

Any questions or clarifications about the Policy or disclosures made by the Company should be referred to the Company Secretary, who is in charge of administering, enforcing and updating this Policy.

Steel Exchange India Limited,  
303, Laxmi Nivas Apts, Opp. Hotel Green Park,  
Greenlands, Hyderabad, Telangana – 500016.

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