



Shree Cement Policy on Determination of Materiality

1. Preamble

There are some information/events concerning the Company/Company's Sector, which are price sensitive and are expected to have a material effect on the price or value of securities of the Company in the stock market. Hence, prompt disclosure of such information to the Stock Exchanges is necessary as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Regulation 30(4) of the Listing Regulations require every listed entity to frame a policy for determination of materiality of events and information that requires appropriate disclosure to the stock exchanges. This Policy, therefore, seeks to determine *inter-alia* what constitutes the material event/information for the Company, which requires prompt disclosure.

2. Scope of the Policy

This Policy is applicable to Shree Cement Ltd.

3. Criteria for determination of materiality of events/ information

The Company shall follow the following criteria for determination of materiality of the 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) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (i) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - (ii) 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;
 - (iii) 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.
- (d) In case, where the criteria specified in sub-clause (a), (b) and (c) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of the Company, the event/information is considered material.



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4. Material Events / Material Information

- (a) Events/Information as set out in Para A of Part A of Schedule III read with Regulation 30 of the Listing Regulations without application for guidelines for materiality specified in sub section (4) of the Listing Regulation 30.
- (b) Events/Information shall be considered material subject to the application of the criteria for determination of materiality of events/ information in line with Para B, C & D of Part A of Schedule III read sub section (4) of the Listing Regulation 30.

Further, in case of any event /information not falling under the above but may be treated as material shall also be evaluated based in the threshold criteria mentioned under Para 3 of this Policy.

The Company shall disclose all events or information with respect to its subsidiaries which are material for the Company in accordance with the requirements of the Listing Regulations.

5. Timeline for Disclosure of information to Stock Exchanges

Disclosure of the events/information shall be made within the timelines prescribed under the Listing Regulations, as amended from time to time.

6. Identification of relevant employees

The Company has laid down guidelines to identify relevant employees who shall be responsible to report the happening of a potential material event / information to the authorized KMP for determination and disclosure of the same to the stock exchanges.

7. Officers responsible for determining materiality of an event/ information

The Managing Director, Company Secretary, Chief Finance Officer and such other executives of the Company as may be specified from time to time.

8. Review and amendment

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the Statutory Provisions and remains effective. This Policy shall be reviewed periodically and may be amended by the Managing Director of the Company, as may be deemed necessary.

9. Interpretation

In case of any conflict between the provisions of this Policy and of Statutory Provisions, the Statutory Provisions shall prevail over this Policy. Any subsequent amendment/ modification in the Statutory Provisions shall automatically apply to this Policy till the amendments / review are carried out in this Policy.
