

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS & INFORMATION

1. Preface

- 1.1 The Board of Directors (the “**Board**”) of Syrma SGS Technology Limited (the “**Company**”) has approved the policy for the determination of materiality of events & information (the “**Policy**”) at its Meeting held on November 20, 2021. The Policy is framed in accordance with the requirements of the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”) as amended from time to time.

2. Objective

- 2.1 The objective of the Policy is to determine materiality of events or information relating to the Company and to ensure that such information is adequately disseminated in pursuance of the Regulations and to provide an overall governance framework for such determination of materiality.

3. Effective Date

- 3.1 This Policy is effective from November 29, 2021.

Amended: (The Board of Directors of the company at its meeting held on August 01, 2023, have discussed, and amended the policy. Thus, the policy has been amended to bring it in line with the amendments to Listing Regulations with effect from July 14, 2023.)

4. Definitions

- 4.1 “**Act**” shall mean the Companies Act, 2013 and the Rules framed there under, including any modifications, clarifications, circulars, or re-enactment thereof.
- 4.2 “**Board of Directors**” or “**Board**” shall mean the Board of Directors of Syrma SGS Technology Limited (“the Company”), as constituted from time to time.
- 4.3 “**Company**” shall mean Syrma SGS Technology Limited.
- 4.4 “**Uniform Listing Agreement**” shall mean an agreement entered or proposed to be entered into between a recognized stock exchanges and the Company pursuant to Listing Regulations, as amended from time to time.
- 4.5 “**Material Events**” or “**Material Information**” shall mean such events or information as set out in the Annexures or as may be determined in terms of Clause 6 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.
- 4.6 “**Policy**” shall mean this Policy for Determination of Materiality of events & information and



as amended from time to time.

- 4.7 **“Listing Regulations”** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars, or re-enactment thereof.
- 4.8 **“Schedule”** shall mean Schedule III of Listing Regulations.
- 4.9 Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.
- 4.10 Words importing the singular number include, where the context admits or requires, the plural number and vice versa.
- 4.11 Words importing the masculine gender also include the feminine gender and neutral gender.
- 4.12 **“Normal course of business”** shall be determined on the basis of various factors like object clause of memorandum, historical practice of the company, frequency of such transaction and such other factors as may be determined by the board from time to time etc.

5. Authority to Determine Materiality of Events

- 5.1 The respective heads of various departments (**“Designated Officers”**) who are responsible for relevant areas of the Company’s operations to which any item of information relates must report to Executive Chairman, Managing Director/Whole-Time Director, Chief Executive Officer(s) or Chief Financial Officer (CFO), Company Secretary (CS) of the Company (hereafter referred as **“Key Managerial Personnel”**) any event / information which is material as defined in this Policy or of which Designated Officer is unsure as to its materiality in Annexure I. The company secretary of the Company shall always be marked on such communication. The event / information should be reported immediately after a Designated Officer becomes aware of it.
- 5.2 On receipt of a communication of a potential material event / information, the Key Managerial Personnel shall:
- A. Review the event / information and take necessary steps to verify its accuracy;
 - B. Assess if the event / information is required to be disclosed to the Stock Exchanges under the Regulations and this Policy and take necessary actions as per Clause 6 & 7 of this Policy.
- 5.3 If the Key Managerial Personnel are not certain about the materiality of any event / information, they may refer matter to Board of directors for discussion or go for external legal advice for appropriate guidance thereafter.

6. Materiality Thresholds



- 6.1 Materiality must be determined on a case-to-case basis depending on specific facts and circumstances relating to the event / information. The specific criteria will be applicable for determination of materiality of event or information which is given under section 7 of this policy.
- 6.2 An event specified in the Annexures to the policy would be considered material if the impact of the event information as per the last audited financial statements is likely to have an impact of more than 10% (ten per cent) on the gross turnover or revenues or total income or 20% (twenty per cent) of the net worth, whichever is higher.
- 6.3 In some cases, inter-alia including disclosure of events specified in paragraph B of Part A of Schedule III of the Listing Regulations, if the materiality thresholds as prescribed above cannot be applied, the executive chairman or managing director and the chief financial officer of the Company, in such cases, shall frame their opinion on a case to case basis, based on specific facts and circumstances relating to the information / event.

7. Guidelines for determining materiality of events or information

- 7.1 Certain information is *per se* “material events” as defined in regulation 30(2) read with paragraph A of Part A of Schedule III of the Listing Regulations. An illustrative list of such material event / information is enclosed as **Annexure A**.
- 7.2 The following criteria shall be considered while determining the materiality of 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, which is likely to result in significant market reaction if the said omission came to light at a later date;
 - 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.
 - iv. In case where the criteria specified in sub-clauses (a), (b) and (c) above is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.
- 7.3 An illustrative list of such Material event/ information is attached as **Annexure B**.

- 7.4 Material events/information including events specified in **Annexure A** and **Annexure B** shall be disclosed by the Company as soon as reasonably possible but not later than the time frame/period as mentioned under respective Annexures Disclosure can be made from the occurrence of such event or information in the following manner:
- A. Inform the stock exchanges on which the securities of the Company are listed;
 - B. Upload on the corporate website of the Company.
 - C. Such other manner as may be required under Act/Regulations.
- 7.5 Provided that in case the disclosure of occurrence of such event or information is made after the prescribed time frame/period under the Act/Regulations, the Company shall along with such disclosure(s) provide an explanation for the delay.
- 7.6 Provided further that disclosure with respect to events specified in Point 4 (Outcome of Meetings of Board of Directors) of **Annexure A** shall be made within thirty (30) minutes or such other time as appropriate of the conclusion of the board meeting.
- 7.7 The Company shall make the disclosure of events/information as specified in **Annexure B** based on application of guidelines for determining Materiality as per Clause 6 of this Policy.
- 7.8 All the above disclosures will be hosted on the website of the Company for a minimum period of five years and thereafter archived in accordance with the Company's policy for preservation and archival of documents.
- 7.9 The Company shall disclose all events or information with respect to subsidiaries which are material for the listed entity.

8. Disclosures

The Company shall disclose all events or information which are material in accordance with the Policy 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 listed entity;
- iii. twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines

9. Without prejudice to the generality of provisions of this Policy, the Company may make



disclosures of any event/ information as specified by the Board from time to time.

10. Communication and dissemination of the policy

10.1 This Policy (including any amends thereto hereafter) after duly approved by the Board of Directors shall be notified and communicated to all employees / functional head of respective departments of the Company by the Executive Directors/HR head. The new employees shall be informed about the Policy by the human resource and administration departments. For all the employees and Directors, whether existing or new, a copy of this Policy shall be posted on the website of the Company.

11. Amendments

11.1 The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with new provision(s) or replace the Policy entirely with a new Policy. The Policy is subject to review from time to time. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

12. Scope and Limitation

12.1 In the event of any conflict between the provisions of this Policy and the Listing Regulations / the Companies Act, 2013 or any other statutory enactments, rules, the provisions of the Listing Regulations / the Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

ANNEXURE A**Events which shall be mandatorily disclosed *without any further consideration* of the guidelines for materiality.**

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation / merger / demerger / restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the Company or any other restructuring.

Explanation - 'Acquisition' shall mean, -

- (i) acquiring control, whether directly or indirectly; or
- (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - a. 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;
 - b. There has been a change in holding from the last disclosure and such change exceeds two per cent of the total shareholding or voting rights in the said company.
 - c. the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30

Explanation - "sale or disposal of subsidiary" and "sale of stake in associate company" shall include-

- (i) an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or
- (ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation - "undertaking" and "substantially the whole of the undertaking" shall have the same meaning as given under section 180 of the Companies Act, 2013.

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.;
3. New Ratings or Revision in credit rating(s);

Explanation: The above requirement to disclose rating shall also be applicable to the following:



- a) Revision in rating even if it was not requested for by the listed entity or the request was later withdrawn by the listed entity.
- b) Revision in rating outlook even without revision in rating score.
- c) ESG ratings by registered ESG Rating Providers

4. Outcome of Meetings of the Board of Directors:

The Company shall disclose to the Exchange(s), **within 30 minutes** of the closure of any meeting held to consider the following:

- (i) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
- (ii) any cancellation of a dividend with reasons thereof;
- (iii) the decision on buyback of securities;
- (iv) the decision with respect to fund raising proposed to be undertaken;
- (v) increase in capital by issue of bonus shares through capitalization of reserves including the date on which such bonus shares shall be credited/dispatched;
- (vi) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits which may be subscribed to;
- (vii) short particulars of any other alterations of capital, including calls;
- (viii) financial results;
- (ix) Decision on voluntary delisting by the Company from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that they impact management and control of the company), 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;

(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, 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:

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.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

6. Fraud/defaults by a Promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or, senior management, promoter or director of the listed entity, whether occurred within India or abroad;
7. Change in Directors, Key Managerial Personnel (Executive Chairman/Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Compliance Officer etc.), Senior Management, Auditor –
 - (i) In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than 24 hours of receipt of such reasons from the auditor.
 - (ii) In case of resignation of an independent director of the listed entity, within 7 days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities.
 - a. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges.
 - b. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - c. The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.”
 - (iii) In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.
 - (iv) 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).
8. Appointment or discontinuation of share transfer agent;
9. Corporate debt restructuring;

10. One-time settlement with a bank;
11. Reference to BIFR and winding-up petition filed by any party /creditors;
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 Company;
13. Proceedings of Annual and extraordinary general meetings of the Company;
14. Amendments to memorandum and articles of association of Company, in brief;
15. Schedule of Analyst or institutional investor meet [at least two working days in advance (excluding the date of the intimation and the date of the meet)] and presentations on financial results made by the Company to analysts or institutional investors.
16. Schedule of Analyst or institutional investor meets and presentations on financial results made by the Company to analysts or institutional investors.
17. Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.
18. Initiation of Forensic audit.
19. 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. Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.
20. 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:
 - 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; along with the following details pertaining to the actions(s) initiated, taken or orders passed as specified under the regulations.
21. 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 matters listed under the regulations.

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22. 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.



ANNEXURE B**Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:**

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;
2. Change in the general character or nature of the business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-ups, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal);
3. Capacity addition or product launch;
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/ contracts not in the normal course of business;
5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in the normal course of business and revision(s) or amendment(s) or termination(s) thereof;
6. Disruption of operations of any one or more units or divisions of the Company due to a natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.;
7. Effect(s) arising out of change in the regulatory framework applicable to the Company;
8. Litigation(s) / dispute(s) / regulatory action(s) with their possible impact including any pendency;
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
10. Options to purchase securities including any ESOP/ESPS Scheme;
11. Giving of a guarantee or an indemnity or becoming a surety for any third party;
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals; Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority."

Explanation: For the purpose of determination of material events/ information, the value or expected impact in terms of value for each event or transaction shall be compared with the quantitative threshold specified in this policy.

13. Any other information / event / 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 may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

14. Any other information as may be required by Board, from time to time.



Annexure I

Format for Submission of Information to Compliance Officer (to be filled by the Nodal Officer/Designated Person)

SN	Question	Remarks
1	Name of the Department	
2	Name and Designation of originator of Information	
3	Details of events/Information	
4	Analysis/working, if any. (For impact of such information on Company)	
5	Source of Information	
6	Calendar of Events/milestones (date wise)	
7	Name of Persons with whom such information is shared along with PAN/other identifier detail in absence of PAN (internal/external)	

I, _____, hereby undertake that the aforementioned information provided by the undersigned is true and to the best of my knowledge. The information is provided in compliance with the Regulation 30 of the SEBI (Listed Obligations and disclosure requirements). The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the circumstances:

- a) Under any proceedings or pursuant to any order of courts or tribunals.
- b) For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law; and
- c) In compliance with applicable laws, regulations, rules, and requirements.
- d) In order to fulfil his/her duties/obligations

Name and Signature:

Place:

Date: