



**POLICY FOR**

**DETERMINING MATERIALITY OF**

**EVENTS/INFORMATION**

**OF**

**SHARDA CROP CHEM LIMITED**



## **INTRODUCTION:-**

This policy provides the guidelines adopted by the Company for determining materiality of events or information relating to the Company and procedures laid down for prompt disclosure of such material events/information.

Regulation 30(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) requires every listed company to make disclosure of events or information to the Stock Exchanges which are material in nature.

Regulation 30(5) of the Listing Regulation requires every listed company to authorise Key Managerial Personnel for the purpose of identifying materiality of events.

Regulation 30(8) of the Listing Regulation requires every listed Company to disclose on its website all events and information which are disclosed to the Stock Exchange in accordance with the Regulation 30 of the Listing Regulations.

This policy is prepared in accordance with the requirements laid down in the Listing Regulations. The Company has adopted this policy on January 30, 2016 and further amended on January 24, 2025.

## **OBJECTIVE:-**

This Policy is framed to determine materiality of events and information and to ensure that the listed entity shall make disclosure of events/transaction/information as specified in Para A and Para B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

## **CATEGORY OF EVENTS:-**

### **A. Events which are Deemed Material:**

The first category of disclosure relates to those events/information that are deemed material under the Regulations and have to be **mandatorily** disclosed without applying any test of materiality. These are listed in Para A of Part A of Schedule III to the Listing Regulations and same is attached as **Annexure – I** to the policy.

The Company shall make disclosures of events or information as specified in **Annexure – I** as soon as reasonably possible and not later than 24 hours from the occurrence of event or information. However, in case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall provide explanation for delay along with such disclosures.

### **B. Events or information, if considered material by Board:**

The second category of disclosure is discretionary in nature and events/information under this category shall be disclosed to the Stock Exchanges, if considered material by the Board of Directors/designated Key Managerial Personnel (KMPs) of the listed entity. These are listed in Para B and Para C of Part A of Schedule III to the Listing Regulations and same is attached as **Annexure – II** to the policy.



The Company shall make disclosures of events or information as specified in **Annexure – II** within 24 hours from the occurrence of event or information. However, in case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall provide explanation for delay along with such disclosures.

- C. Any other information/event viz 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 is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
- D. The listed entity may make disclosure of any other event/information, in addition to Para A or Para B or Para C as mentioned above, as specified by the Board from time to time.

#### **CRITERIA FOR DETERMINING MATERIALITY:-**

The Company shall make disclosure of events indicated in Para B and Para C of Part A of Schedule III and events not indicated in Schedule III, if following criteria of determining materiality of events/information apply to them:

- a) The omission of an events 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;
- c) The value of a transaction, if exceeds 20% of the consolidated gross revenue/turnover of the immediately preceding financial year.

#### **DESIGNATED KEY MANAGERIAL PERSONNEL:-**

The Board of Director designates Mr. Ramprakash V. Bubna, the Chairman & Managing Director, in his absence Mr. Manish R. Bubna/Mr. Ashish R. Bubna, the Executive Directors to be the Designated KMPs severally authorising them to determine materiality of an event or information for the purpose of making disclosure to the Stock Exchange under this Policy framework.

The Contact details of the Designated KMP's are as follows:

1. Mr. Ramprakash V. Bubna, Chairman & Managing Director  
Tel No.: +91 22 6678 2800  
Email id.: [co.sec@shardaintl.com](mailto:co.sec@shardaintl.com)
2. Mr. Ashish R. Bubna, Executive Director  
Tel No.: +91 22 6678 2800  
Email id.: [co.sec@shardaintl.com](mailto:co.sec@shardaintl.com)
3. Mr. Manish R. Bubna, Executive Director  
Tel No.: +91 22 6678 2800  
Email id.: [co.sec@shardaintl.com](mailto:co.sec@shardaintl.com)



### **AMENDMENTS IN POLICY:-**

Any subsequent amendment/modification in the listing regulations and/or other applicable laws in this regards shall automatically apply to this policy.

#### **Annexure – I**

- 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.
- 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.

However issue of securities under Employee Stock Option Scheme(s)/Plan(s) will not be considered as event requiring disclosures hereunder, as the ESOP Schemes/Plans are preapproved by the Shareholders and number of options granted there under are intimated to the Stock Exchanges.

- 3) New Rating(s) or Revision in Rating(s).
- 4) The Company shall disclose the outcome of Board Meetings to the Stock Exchanges held to consider the following:
  - a) Dividends recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid /dispatched;
  - b) Any cancellation of dividend with reasons thereof;
  - c) The decision on buyback of securities;
  - d) The decision with respect to fund raising proposed to be undertaken including by way of issue of securities (excluding security receipts, securitized debt instruments or money market instruments regulated by the Reserve Bank of India), through further public offer, rights issue, American Depository Receipts/ Global Depository Receipts/ Foreign Currency Convertible Bonds, qualified institutions placement, debt issue, preferential issue or any other method;
  - e) Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
  - f) 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 to subscribe to;
  - g) Short particulars of any other alterations of capital, including calls;
  - h) Financial results;
  - i) 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), agreement(s) with media companies, which are binding and not in normal course of business, revisions or amendments or terminations thereof.
- 5(A) 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.

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.

- 6) Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad.
- 7) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Senior Management, Auditor and Compliance Officer.
- 7(A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- 7(B) In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities
- i. The letter of resignation along with detailed reasons for the resignation as given by the said director.
- (ia) Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
- ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided
  - iii. The confirmation as provided by the Independent Director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) and (ii) above.



- 7(C) 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.
- 7(D) 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) Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
- i. Decision to initiate resolution of loans/borrowings;
  - ii. Signing of Inter-Creditors Agreement (ICA) by lenders;
  - iii. Finalization of Resolution Plan;
  - iv. Implementation of Resolution Plan;
  - v. Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
- 10) One time settlement with a bank
- 11) 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)
- a.
    - i. Schedule of analysts or institutional investors meet atleast two working days in advance (excluding the date of the intimation and the date of the meet).
    - ii. Presentations prepared by the listed entity for analysts or institutional investors meet, post earnings or quarterly calls shall be disclosed to the recognized stock exchanges prior to beginning of such events.



- b. Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:
    - i. the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
    - ii. the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:
  - c. Audio recordings, video recordings, if any, and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means, in the following manner:
    - i. The audio recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
    - ii. the video recordings, if any, shall be made available on the website within forty-eight hours from the conclusion of such calls;
    - iii. the transcripts of such calls shall be made available on the website along with simultaneous submission to recognized stock exchanges within five working days of the conclusion of such calls.
- 16) Events in relation to the Corporate Insolvency Resolution Process (CIRP) of listed corporate debtor under the Insolvency code.
- 17) Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:
- a. The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
  - b. Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.
- 18) 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.
- 19) 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, or
  - c. investigation



along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority
- ii. nature and details of the action(s) taken, initiated or order(s) passed;
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

20) 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 following:

- a. suspension
- b. imposition of fine or penalty
- c. settlement of proceedings
- d. debarment
- e. disqualification
- f. closure of operation
- g. sanction imposed
- h. warning or caution or
- i. any other similar action(s) by whatever name called;

along with following details pertaining to the action(s) taken or order passed:

- i. name of the authority
- ii. nature and details of the action(s) taken, initiated or order(s) passed
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

21) 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 – II**

- 1) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- 2) Any of the following event pertaining to listed entity:
  - a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
  - b) adoption of new line(s) of business; or
  - c) closure of operation of any unit, division or subsidiary (in entirety or in 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) or any other agreements which are binding and not in 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 division of the entity due to natural calamity, force majeure or events such as strikes, lockouts etc.
- 7) Effect arising out of change in the regulatory framework applicable to the listed entity.
- 8) Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
- 9) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- 10) Options to purchase securities including any ESOP/ESPS Scheme.
- 11) Giving of guarantees or indemnity or becoming a surety, by whatever name called for any third party.
- 12) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- 13) Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.”