



POLICY FOR DETERMINING MATERIALITY OF
EVENTS OR INFORMATION
OF
SARMAT FORGINGS LIMITED

1. INTRODUCTION

The Securities and Exchange Board of India (SEBI) has issued the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Regulations”) with the aim to consolidate and streamline the provisions of existing listing agreements thereby ensuring better enforceability and bringing the basic framework governing the regime of Listed Entities in line with the Companies Act, 2013 and at the same time compiling all the mandates of varied SEBI Regulations / Circulars governing Equity as well as Debt segments of capital market.

Regulation 30 of the Regulations deals with disclosure of material events / information by the Company whose equity and convertible securities are listed and are required to make disclosure of events / information specified under the relevant Schedule of Regulation 30. Accordingly, this policy has been framed by the Board of Directors of the Company to determine the materiality of events and timely disclosure of such events to the stock exchange.

2. APPLICABILITY:

This Policy shall be applicable to all the events relating to the Company as and when they fall under the criteria as mentioned in clause 5 of this Policy.

The purpose of this Policy is to determine materiality of events and information based on criteria specified under Regulation 30 of the Listing Regulations and to ensure that the Company shall make timely disclosures of events / information specified under the Regulations to the Stock Exchanges.

3. DEFINITIONS

Capitalized terms used but not defined herein shall have the same meaning as assigned thereto in the Listing Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder or any other applicable laws or regulations, as the case may be.

- a) “Act” means the Companies Act, 2013, including any amendment or modification thereof.
- b) “Board” means Board of Directors of the Company.
- c) “Company” means Samrat Forgings Limited.
- d) “Regulations or SEBI Regulations” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

4. Disclosure of events or information

Information / events shall be disclosed by the Company to the Stock Exchange(s) as specified in the Regulations and Circulars / Guidance Note(s) issued thereto.

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation 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) in case the meeting of the board of directors closes after normal trading hours of that

day but more than three hours before the beginning of the normal trading hours of the next trading day, the company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

- (iii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the company;
- (iv) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the company.

5. Guidelines/Criteria for determining Materiality:

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information.

While determining whether an event or information is material, the designated authority shall consider the criteria given in sub-regulation (4) of Regulation 30 of the SEBI Regulations, enumerated herein below:

- (a) the omission of an event or information, 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 omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - 1. two percent of turnover, as per the last audited consolidated financial statements of the company;
 - 2. two percent of 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;
 - 3. 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 company.
- (d) In case where the criteria specified in sub-clauses (a), (b) and (c) are not applicable, an event / information may be treated as being material if in the opinion of the Designated Authority, the event or information is considered material.

6. Prompt disclosure of material events

Company shall with respect to disclosures referred to in the regulation, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.

Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

In case where an event occurs or information is available with the Company, which has not been indicated in above paragraph, but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.

7. Disclosure on website

Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the regulation, and such disclosures shall be hosted on the website of the Company www.samratforgings.com for minimum period of five years and then after as per the archival policy of the listed entity, as disclosed on its website of the Company.

8. Authority to determine materiality

The Board of Directors of the Company may authorize one or more key managerial person (KMP) for the purpose of determining materiality of an event/information and for the purpose of making disclosures to stock exchange under this regulation. The Board has authorized the Managing Director, Chief Financial Officer and Company Secretary severally to determine materiality of any event or information qualifying for disclosure under clause 30 of the Regulations, decide the appropriate time at which such disclosure is to be filed with Stock Exchange(s) and details that may be filed in the best interest of present and potential investors.

Contact details of the above KMP's shall be disclosed to the stock exchange and also disseminated on the company's website.

9. Modification and Amendments

The Board of Directors shall alter, amend or modify the clauses of this Policy from time to time in line with the requirement of the SEBI Guidelines or any other Acts, Rules/Regulations etc., which may be amended and applicable from time to time.

This Policy is effective from 10th February, 2021 and amended Policy shall be effective from 30th May, 2025 and shall be posted on the website of the Company.