



SMPP LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

Table of Contents

1. Background	3
2. Objective	3
3. Definitions	3
4. Guidelines for Determining Materiality of Events or Information	4
5. Guidelines on Occurrence of an Event / Information & Its Timely Disclosure	5
6. Disclosure of Events or Information	5
7. Authorization for Determining Materiality	6
8. Dissemination of the Policy	6
9. Policy Review	6
10. Interpretation	7
11. Version History	7

1. BACKGROUND

The Board of Directors of the Company has adopted this policy pursuant to Regulation 30 of the SEBI Listing Regulations and the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023 (“SEBI Disclosure Circular”). This Policy will be effective from the date of listing of the equity shares of the Company on the recognized stock exchanges.

The Board shall review, and if found required, may amend this Policy from time to time.

2. OBJECTIVE

Pursuant to the SEBI Listing Regulations, the Company is under an obligation to make disclosure of such events or information which, in the opinion of the Board of Directors is material.

The objective of this Policy is therefore to lay down the criteria for determination of materiality of events and information that need to be disclosed to the Stock Exchanges in a timely manner and other matters related thereto and to assist the employees of the Company in identifying any potential material event or information that may originate at the ground level which can be promptly escalated and reported to the authorized Key Managerial Personnel, or any other officers of the Company, as specified in this Policy for determining the materiality of the said event or information and for making necessary disclosures to the Stock Exchanges.

All provisions of Regulation 30 read with Schedule III of the LODR Regulations shall hereby be deemed to be incorporated in this Policy, by reference.

3. DEFINITIONS

“**Act**” shall mean the Companies Act, 2013 and the rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof.

“**Company**” shall mean the SMPP Limited (formerly known as SMPP Private Limited).

“**Policy**” shall mean policy for determination of materiality of events or information for disclosure.

“**SEBI Listing Regulations**” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

“**Board of Directors**” or “**Board**” means the Board of Directors of the Company, as constituted from time to time.

“**Key Managerial Personnel**” means Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.

“**Listing Agreement**” shall mean an agreement that is to be entered into between a recognized stock exchanges and the Company pursuant to the SEBI Listing Regulations.

“**Schedule**” means the Schedule III of the SEBI Listing Regulations.

“**Material Event**” or “**Material Information**” shall mean such event or information as may be determined in terms of the SEBI Listing Regulations as amended read with all circulars and clarifications issued thereunder. In this Policy, the words, “material” and “materiality” shall be construed accordingly.

“**Net Worth**” shall have the meaning assigned to it in Section 2(57) of the Act; “SEBI” means the Securities and Exchange Board of India.

“**Turnover**” shall have the meaning assigned to it in Section 2(91) of the Act.

“**Stock Exchanges**” shall mean collectively the Bombay Stock Exchange and National Stock Exchange.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

A. 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 SEBI Listing Regulations (as applicable from time to time) (“Para A Events”) without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the SEBI Listing Regulations. Details to be provided to the Stock Exchanges while disclosing Para A Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

B. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

The Company shall disclose all such material events or information pertaining to itself or to its subsidiary(ies), specified in Para B of Part A of Schedule III of the SEBI Listing Regulations (“Para B Events”) subject to application of guidelines for materiality, as set out under the LODR Regulations.

4. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

- a) **Quantitative criteria** would be calculated based on audited consolidated financial statements and would mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:

2% (two per cent) of consolidated turnover, as per the last audited consolidated financial statements of the Company; or

2% (two per cent) of consolidated 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)); or

5% (five percent) of average of absolute value of consolidated profit or loss after tax for last 3 years, as per the last 3 (three) audited consolidated financial statements of the Company.

In terms of the SEBI Disclosure Circular, if the average of absolute value of profit or loss is required to be considered by disregarding the ‘sign’ (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for ‘materiality’ of the event and not for any commercial consideration.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

b) **Qualitative criteria** would mean an event/ information:

the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

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

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.

5. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION & ITS TIMELY DISCLOSURE

The occurrence of material events/information could be either emanating from within or outside the listed entity by the Company's own accord or for reasons not in the hands of the Company.

It can be categorized as under:

- a) depends upon the stage of discussion, negotiation or approval; and
- b) in case of natural calamities disrupting operations etc., it would depend upon the timing when the Company became aware of the event/information.

In respect of the events under 5(a), the events/information can be said to have occurred upon receipt of approval of the Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval. Approvals other than final approvals, such as in-principle approvals, exploratory approvals etc. will not require disclosure under this Code.

In respect of the events under 5(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

6. DISCLOSURE OF EVENTS OR INFORMATION

- a) All events/information identified as material in line with the regulation and under this Policy shall be disclosed as soon as reasonably possible and, in any case, not later than the following:
 - i 30 (thirty) minutes from the closure of the meeting of the board of directors in which the decision pertaining to the material event or information has been taken;
 - ii 12 (twelve) hours from the occurrence of the material event or information, in case the event or information is emanating from within the listed entity;
 - iii 24 (twenty-four) hours from the occurrence of the material event or information, in case the event or information is not emanating from within the listed entity;
- b) In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure

- c) The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.
- d) The Company shall disclose all events or information with respect to its subsidiaries which are material for it.
- e) The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- f) The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- g) In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.
- h) In case an event or information is required to be disclosed by the Company in terms of the provisions of the Listing Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.
- i) In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter as per archival policy of the Company.

7. AUTHORIZATION FOR DETERMINING MATERIALITY

The Board of Directors of the Company has authorized the Company's Chairman and Managing Director, Company Secretary and Compliance Officer and Chief Financial Officer ("CFO") to severally determine Materiality of events or information that has taken place, for the purpose of making adequate disclosure to the Stock Exchanges.

The authorized officers of the Company shall exercise their judgement while assessing and determining the materiality of events associated with the Company.

The contact details of the Managing Director, Company Secretary and CFO to be disclosed to the Stock Exchanges and be posted on the Company's website.

8. DISSEMINATION OF POLICY

This Policy shall be hosted on website of the Company.

9. POLICY REVIEW

This Policy shall be subject to review of the Board of Directors and Chairman and Managing director, company secretary and Compliance Officer and CFO are severally authorised to amend it suitably as may be deemed necessary in accordance with any regulatory requirements/ amendments.

10. INTERPRETATION

In any circumstance where the terms of this Code are inconsistent with any existing or newly enacted law, rule, regulation, or standard governing the Company, the said law, rule, regulation or standard will take precedence over this Code.

11. VERSION HISTORY

Version	Approval date	Revision date	Description
Version 1	October 05, 2024	-	Original