



**POLICY FOR DETERMINATION OF MATERIALITY THRESHOLD FOR DISCLOSURE
OF EVENTS OR INFORMATION**

OF

S.J.S. ENTERPRISES LIMITED

Version	Approved by	Approval Date
1	Board of Directors	19 th July, 2021
2	Board of Directors	18 th October 2023

1. Background

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”), requires S.J.S. Enterprises Limited (“**Company**”) to frame a policy for determination of materiality for disclosure of events or information to BSE Limited and National Stock Exchange of India Limited (“**Stock Exchanges**”), based on the criteria specified in the Listing Regulations (“**Policy**”). The events/information that would be disclosed would be as presently prescribed by Securities and Exchange Board of India vide circular CIR/CFD/CMD/4/2015 dated September 9, 2015 and as would be amended from time to time.

In view of the same, this “Material Events Policy” of the Company has been framed considering that stakeholders of the Company need timely, sufficient & reliable information and communication in a coherent manner regarding material events that matters / makes influence on the Company as also the regulatory requirements of Regulation 30 of the Listing Regulations.

The Policy has been adopted by the Board on 19th July, 2021. This amended policy is effective from 18th October 2023.

2. Scope of the Policy

The Policy will be applicable to all the events which fall under the criteria as disclosed under the section relating to the “Disclosure of events or information to Stock Exchanges”. This Policy shall be read along with the Company’s Policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“**Code of Fair Disclosure**”) framed in adherence to the principles for fair disclosure as outlined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.

3. Definitions

“**Acquisition**” shall mean:

- a. acquiring control, whether directly or indirectly; or
- b. acquiring or agreeing to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
 - i. 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
 - ii. there has been a change in holding from the last disclosure made under sub-clause (i) of clause (b) above and such change exceeds two per cent of the total shareholding or voting rights in the said company.
 - iii. 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.

“**Authorized Persons**” shall mean Whole-time Director, Chief Financial Officer and Compliance Officer.

“**Board**” shall mean the Board of Directors of the Company;

“**Compliance Officer**” shall mean the Company Secretary of the Company;

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

- a. Chief Executive Officer/ Managing Director/ Manager;
- b. Whole-time Director;
- c. Chief Financial Officer;

- d. Company Secretary;
- e. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- f. Such other officer as may be prescribed.

“**Material Event or Information**” shall mean such information / event as listed under this Policy;

“**Subsidiary**” means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013.

“**Price-sensitive information**” means any information which relates, directly or indirectly, to the Company that is not generally available and which upon becoming generally available is likely to materially affect the price of securities of the Company.

Unless the context requires otherwise, words and expressions not defined herein shall have the meaning ascribed to them under the Listing Regulations, the SEBI Act, 1992, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities Contracts (Regulation) Act, 1956, the Companies Act, 2013, or any other cognate statute.

4. Key Managerial Personnel Authorized to Determine Materiality

Managing Director, Executive Director, Chief Financial Officer or Company Secretary being key managerial personnel of the Company, from time to time, are severally authorized by this Policy to determine the materiality of an event or information and for the purpose of advising on the disclosure to the Stock Exchanges through the Chief Investor Relations Officer designated under the Code of Fair Disclosure.

The contact details of the authorized personnel shall also be disclosed to the Stock Exchanges as well as on the website of the Company.

5. Disclosures of Events or Information to Stock Exchanges

The events or information which will be necessary to be disclosed to the Stock Exchanges are divided into three categories as specified in Part A of Schedule III of the Listing Regulations:

- a. The Events or information whose disclosure is mandatory and which would need to be disclosed without any application of the test/guidelines for materiality are disclosed in Annexure I
- b. The Events or information which will be disclosed to the stock exchange based on the application of guidelines for determining the materiality of events or information as enumerated below are enlisted in Annexure II.
 - **Qualitative criteria** would mean:
 - 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.
 - **Quantitative criteria** would mean:
 - 2% (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;
 - 5% (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.

Further with respect to the above terms, it is hereby clarify that *absolute value of profit or loss after tax* 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.

- c. Any other event/information that is likely to affect business

Such events may include but not be limited to the following:

- i. Any other information/event which is in the nature of major development that is likely to affect business of the Company such as change in accounting policy that may have a significant impact on the accounts of the Company, emergence of new technologies, etc.; and
- ii. Any other information exclusively known to the Company which may be necessary to be disseminated to enable the holders of the securities of the Company to apprise its position and to avoid the establishment of a false market in such securities.

However, without prejudice to para (a), (b) and (c), the Company shall make disclosure of any event/information which may have a material effect on the Company within time line as specified in *Annexure I* and *Annexure II*.

Further, the Company shall, with respect to disclosures referred to in this Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations. The Company may also, on its own initiative, confirm or deny any reported event or information to the Stock Exchanges.

Such details as may be necessary to give the shareholders and general public sufficient information to form a fair view on the price of the securities of the Company.

The Company shall provide specific and adequate reply to all queries raised by the Stock Exchanges with respect to any event or information.

6. Guidance on when an event/information is deemed to be occurred

The events/information shall be said to have occurred upon approval of Board in certain events, for example further issue of capital by rights issuance and in certain events/information after receipt of approval of both, the Board and shareholders of the Company. Certain events which are price sensitive in nature like declaration of dividends etc. will be deemed to have occurred and disclosed on approval of the Board pending shareholder's approval.

Events such as natural calamities or disruption can be said to have occurred when the Company becomes aware of the event/information.

7. Timelines for disclosure of material events/information

The disclosure with respect to the events/ information for which timelines have been specified for Part A of Schedule III shall be made within such timelines. Refer *Annexure I & Annexure II* of this Policy.

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. For all material events/ information for which decision is taken in a Board meeting within 30 (thirty) minutes from the closure of the board meeting;
- ii. For all material events/ information emanating from within the Company within 12 (twelve) hours from the occurrence of the event or information;
- iii. For all material events/ information relating to the Company but emanating from outside the Company within 24 (twenty four) hours from the occurrence of the event or information.
 - a) In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.
 - b) 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.

8. Disclosures on Website

The Company shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the Archival Policy of the Company.

9. Implementation

The Company will adhere to highest standards with regard to the implementation of this policy. The key management personnel of the Company authorized under this Policy shall have overall responsibility for implementing of this policy and shall take internal/external approvals, wherever necessary.

10. Amendments to the Policy

The key management personnel authorized under this Policy will review the Policy from the perspective of the Listing Regulations and determine the events/information for disclosure as may be amended by the Securities and Exchange Board of India from time to time. All such amendments will be informed to the board and the approval of the Board will be sought to align the policy in line with the Listing Regulations. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this policy

11. Interpretation

In any circumstance where the terms of this Policy is 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 Policy and procedures.

Annexure – I

Timeline for disclosure of events specified in Para A of schedule III of the LODR Regulations

Para /sub- para	Events	Timeline for disclosure
A.	Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):	
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in the associate company of the Company or any other restructuring.	Within 12 hours *
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.	Within 12 hours *
3.	New Ratings(s) or Revision in Rating(s).	Within 24 hours

4.	Outcome of Meetings of the board of directors	Timeline as specified in sub-para 4 of Para A of Schedule III.
5.	Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts 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	Within 12 hours * (for agreements where Company is a party); Within 24 hours (for agreements where Company is not a party).
5A.	Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company 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 Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto,	Within 12 hours * (for agreements where Company is a party); Within 24 hours (for agreements where Company is not a party).

	whether or not the Company is a party to such agreements: Provided that such agreements entered into by a Company 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 Company or they are required to be disclosed in terms of any other provisions of these regulations.	
6.	Fraud or defaults by a Company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.	Within 24 hours
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	Within 12 hours * (except in case resignation); Within 24 hours (in case of resignation)

7A.	In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor.	Timeline as specified in sub-para 7A of Para A of Schedule III.
7B.	Resignation of independent director including reasons for resignation.	Timeline as specified in sub-para 7B of Para A of Schedule III.
7C.	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director.	Timeline as specified in sub-para 7C of Para A of Schedule III.
7D.	In case the Managing Director or Chief Executive Officer of the Company 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).	Within 12 hours *
8.	Appointment or discontinuation of share transfer agent.	Within 12 hours *
9.	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.	Within 24 hours
10.	One time settlement with a bank.	Within 24 hours
11.	Winding-up petition filed by any party / creditors.	Within 24 hours
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.	Within 12 hours *
13.	Proceedings of annual and extraordinary general meetings of the Company.	Within 12 hours *
14.	Amendments to memorandum and articles of association of Company, in brief.	Within 12 hours *
15.	(a) Schedule of analysts or institutional investors meet and presentations made by the Company to analysts or institutional investors. (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.	Timeline as specified in sub-para 15 of Para A of Schedule III.
16.	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.	Within 24 hours

17.	<p>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 the Company:</p> <p>(a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;</p> <p>(b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.</p>	<p>Within 12 hours * (if initiated by the Company);</p> <p>Within 24 hours (if initiated by external agency).</p>
18.	<p>Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a Company, in relation to any event or information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company.</p>	<p>Within 24 hours</p>
19.	<p>Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:</p> <p>(a) search or seizure; or</p> <p>(b) re-opening of accounts under section 130 of the Companies Act, 2013; or</p> <p>(c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;</p>	<p>Within 24 hours</p>
20.	<p>Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:</p> <p>(a) suspension;</p> <p>(b) Imposition of fine or penalty;</p> <p>(c) settlement of proceedings;</p> <p>(d) debarment;</p> <p>(e) disqualification;</p> <p>(f) closure of operations;</p> <p>(g) sanctions imposed;</p> <p>(h) warning or caution; or</p> <p>any other similar action(s) by whatever name called;</p>	<p>Within 24 hours</p>
21.	<p>Voluntary revision of financial statements or the report of the board of directors of the Company under section 131 of the Companies Act, 2013.</p>	<p>Within 12 hours *</p>

* **Note:** In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.

Timeline for disclosure of events specified in Para B of Schedule III of the LODR Regulations

Para B.	Events which shall be disclosed upon application of the guidelines for materiality referred sub- regulation (4) of regulation (30)	Timelines
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.	Within 12 hours *
2.	Any of the following events pertaining to the Company: (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (ii) adoption of new line(s) of business; or closure of operation of any unit, division, or subsidiary(entirety or piecemeal)	Within 12 hours *
3.	Capacity addition or product launch.	Within 12 hours *
4.	Awarding, bagging/ receiving, amendment or termination of awarded/ bagged orders/ contracts not in the normal course of business.	Within 24 hours
5.	Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.	Within 12 hours * (for agreements where Company is a party); Within 24 hours (for agreements where Company is not a party).
6.	Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the Company.	Within 24 hours
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.	Within 24 hours
9.	Frauds or defaults by employees of the Company which has or may have an impact on the Company.	Within 24 hours
10.	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours *
11.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.	Within 12 hours *
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours

13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours *
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 Company 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.	Within 24 hours
D.	Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the SEBI from time to time.	Timeline as specified by the SEBI.

* **Note:** In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.