



**POLICY ON DETERMINING MATERIALITY OF EVENTS
AND INFORMATION**

SAT INDUSTRIES LIMITED



SIGNATORIES

Version	Prepared by	Reviewed by	Confirmed by	Approved by
1.0	Ms. Alka Gupta, Company Secretary & Compliance Officer	Mr. Harikant Turgalia, Chief Financial Officer	Board of Directors	

VERSION CONTROL

Version	Date	Description	Description of Changes
1.0	01-12-2015	Policy on criteria for determining materiality events	New Policy
2.0	13-02-2023	Policy on determining materiality of events and information	Aligned with SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 and (Third Amendment) Regulations, 2021



A. Introduction

1. Regulation 30(4)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI (LODR) Regulations**”) requires listed entities to frame a policy for determination of materiality, based on certain criteria specified therein.
2. Pursuant to the above-mentioned requirement in the SEBI (LODR) Regulations, SAT Industries Limited (the “**Company**”) has framed this policy (the “**Policy**”).
3. The determination of materiality is for the purpose of determining the events and information which are material and price sensitive for the purpose of making disclosures to the stock exchanges.
4. This Policy is intended to be in conformity with the SEBI (LODR) Regulations as on the date of its adoption. However, if due to subsequent modifications in the SEBI (LODR) Regulations or any other applicable law, a provision of this Policy or any part thereof becomes inconsistent with the SEBI (LODR) Regulations, the provisions of the SEBI (LODR) Regulations as modified shall prevail.

B. Effective Date

5. This Policy is effective from February 13, 2023.

C. Criteria for determination of materiality

6. Materiality must be determined on a case-to-case basis depending on the material facts and circumstances pertaining to the information or event. The Company shall consider the following criteria for determination of materiality of events/ information:
 - i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
 - ii. 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; and
 - iii. in case where the criteria specified in (i) and (ii) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors, the event/information is considered material.



D. Disclosure of events or information

7. The Company shall make disclosures of any events or information which in the opinion of the Board of Directors is material or required under the SEBI (LODR) Regulations.

8. The SEBI (LODR) Regulations have divided the events that need to be disclosed as follows:

Category 1: Events which have to necessarily be disclosed without applying any test of materiality.

The events indicated in Para A of Part A of Schedule III of the SEBI (LODR) Regulations.

Category 2: Events which should be disclosed, upon application of the guidelines for materiality as stated in the above in clause C.

These events are indicated in Para B of Part A of Schedule III of the SEBI (LODR) Regulations.

Category 3: Any other information or event viz. major development that is likely to affect the business (for example, 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 exclusively known to the Company which may be necessary to enable the securities holders of the Company to appraise its position and to avoid establishment of a false market in such securities.

Category 4: Without prejudice to the generality of Categories 1, 2, and 3 above, any other event or information as may be specified by the SEBI from time to time.

9. Where the Company makes disclosures to the stock exchanges under the above categories, the Company will also make disclosures (with relevant explanations) providing updates on any material development(s) to the concerned event/information on a regular basis, till such time the event is resolved/closed.

10. The Company shall provide specific and adequate reply to all queries raised by the stock exchanges with respect to any events or information. The Company may, on its own initiative, confirm or deny any reported event or information to the stock exchanges.



E. Time limit for the disclosure

11. The events mentioned at Item 4 to Para A of Part A of Schedule III of the SEBI (LODR) Regulations must be disclosed **within 30 minutes of closure of the board meeting**.
12. With the exception of the event mentioned at clause 11, all events must be disclosed as soon as reasonably practicable, and **within 24 hours of happening of the events**.
13. Provided that if the Company does not comply with the timelines specified above, the Company shall, along with the disclosure, also submit to the stock exchanges an explanation for the delay.

F. Person(s) responsible for disclosure

14. The Board of Directors shall authorize one or more officials of the Company (“**Authorized Persons**”) to determine the materiality of an event or information and to make appropriate disclosures to the stock exchanges on a timely basis. The Authorized Persons are empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit. Details of the Authorized Persons shall be disclosed to the stock exchanges and on the Company’s website.

G. Events/information with Respect to Subsidiaries

15. The Company shall disclose all events or information with respect to subsidiaries of the Company which are material for the Company.

H. Guidance on when an event/information has occurred

16. In instances where the occurrence of an event/information depends upon the stage of discussion, negotiation, or approval, the event/information can be said to have occurred upon receipt of approval of the Board of Directors (for example, further issue of capital by rights issuance), and in certain events/information after receipt of approval of both, the Board of Directors, and the shareholders of the Company. However, considering the price sensitivity involved, for certain events (for example, decision on declaration of dividends etc.) disclosure shall be made on receipt of approval of the event by the Board of Directors, pending the approval of the shareholders of the Company.



17. In instances where there is no discussion, negotiation, or approval required, namely, in case of natural calamities, disruptions etc., the occurrence of the event/information would depend upon the timing when the Company became aware of the event/information, or as soon as, an ‘officer’ of the Company (as defined under Section 2(59) of the Companies Act, 2013, and including the promoter of the Company) has, or ought to have reasonably come into possession of the information in the course of performance of his duties.

I. Review and amendment of the policy

18. The Board of Directors shall review the Policy from time to time and make amendments that may be required to the Policy.

J. Disclosures on website

19. As per the provisions of the SEBI (LODR) Regulations, the Policy shall be disclosed on the website of the Company.

20. The Company shall disclose on its website all such events or information which has been disclosed to stock exchanges under the SEBI (LODR) Regulations. Such disclosures shall be available on the website of the Company for a period of five years, and thereafter as per the archival policy of the Company.
