

SK MINERALS & ADDITIVES LIMITED

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

1. **INTRODUCTION**

- 1.1. This policy for determination of Materiality of Events or Information is aimed at providing guidelines to the management of SK Minerals & Additives Limited (formerly SK Minerals & Additives Private Limited), to determine the materiality of events or information which could affect investment decisions and ensure timely and adequate dissemination of information to the Stock Exchange(s) (as hereinafter defined).
- 1.2. This policy has been formulated in accordance with Regulation 30(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and extends to the Company's material subsidiaries, ensuring timely disclosure of events or information impacting the Company and its subsidiaries.
- 1.3. The Board of Directors (“**Board**”) of the Company at its meeting held on 10th March, 2025 has approved and adopted the Policy for Determination of Materiality of Events or Information (“**Policy**”). The Policy shall become effective from 10th March, 2025.

2. **OBJECTIVE**

The objective of this Policy is to serve as a guiding charter to the management to ensure that timely and adequate disclosure of events or information are made to the investor community by the Company under the Listing Regulations, to enable them to take well informed investment decisions with regard to the securities of the Company.

3. **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 the Schedule III of the Listing Regulations (as applicable from time to time) without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of Listing Regulations.

4. **EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY**

The Company shall disclose all such material events specified in Para B of Part A of Schedule III of the Listing Regulations subject to application of criteria for determination of materiality.

5. **CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION**

- 5.1. The Company shall consider the following criteria for determination of materiality of events/ information:
 - 5.1.1. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
 - 5.1.2. the omission of an event or information, which is likely to result in significant market reaction, if the said omission came to light at a later date; or
 - 5.1.3. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - 5.1.3.1. 02% (Two per cent.) of turnover, as per the last audited consolidated financial statements of the Company;

- 5.1.3.2. 02% (Two per cent.) 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;
 - 5.1.3.3. 05% (Five per cent.) of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company;
- 5.2. In case where the criteria specified in sub-clauses mentioned above is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the Company, the event or information is considered material.

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the listed entity within 30 (Thirty) days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.

6. MATERIAL LITIGATIONS

Any pending/outstanding litigation involving the Relevant Parties which exceeds the amount which is 1% of the profit after tax, as per the Restated Financial Statements for the period ended October 31, 2024 would be considered material for our Company.

The following types of litigations involving the Relevant Parties have been considered as ‘material’, and accordingly disclosed in this Draft Red Herring Prospectus, as applicable:

- 6.1 pending civil litigations involving the Relevant Parties which involve an amount of or equal to more than the monetary amount of Rs. 1.00 lakh; or
- 6.2 other than the litigations covered in (a) above, pending litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed Rs. 1.00 lakh; or
- 6.3 where the monetary liability in the pending civil litigations is not quantifiable or doesn’t meet the monetary threshold as provided in (a) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial /arbitral forum.

7. MATERIAL CREDITORS

Outstanding dues to any creditor of our Company having monetary value exceeding Rs. 10.00 lakh, shall be considered as ‘material’. for outstanding dues to any party which is a micro, small or medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

8. ANY OTHER INFORMATION/ EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY

The Company shall disclose major developments that are likely to affect the business 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.

9. GUIDELINES TO OCCURRENCE OF AN EVENT/ INFORMATION

9.1. The occurrence of material event/ information would be either by the Company's own accord or not in the hands of the Company. It can be categorized as under:

9.1.1. Depends upon the stage of discussion, negotiation or approval; and

9.1.2. In case of natural calamities, disruptions etc., it would depend upon the timing when the Company became aware of the event/ information.

9.2. In respect of the events mentioned under sub-clause 8.1.1, the events/ information can be said to have occurred upon receipt of approval of the Board of Directors and/ or Shareholders of the Company, as the case may be. However, considering the price sensitivity involved, for certain events, disclosure shall be made on receipt of approval of the events by the Board of Directors, pending Shareholder's approval.

9.3. In respect of the events mentioned under sub-clause 8.1.2, 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 Company 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.

10. DISCLOSURES OF EVENTS OR INFORMATION

10.1. The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of regulation 30 as soon as reasonably possible and in any case not later than the following:

10.1.1. 30 (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;

10.1.2. 12 (Twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;

10.1.3. 24 (Twenty-Four) hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity;

10.1.4. Inform the Stock Exchanges in which the securities of the Company are listed;

10.1.5. Upload on the corporate website of the Company.

10.2. Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the delay.

- 10.3. The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/ closed, with relevant explanations.
- 10.4. The Company shall disclose all events or information with respect to its Material Subsidiaries.
- 10.5. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.
- 10.6. All the above disclosures would be hosted on the website of the Company for a minimum period of 05 (Five) years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

11. AUTHORIZED KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE

- 11.1. The following Key Managerial Personnel (KMP) are hereby severally authorized by the Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the Stock Exchange(s) (“Authorized Person”):
- 11.1.1. Managing Director;
 - 11.1.2. Chief Financial Officer; or
 - 11.1.3. Company Secretary.
- 11.2. The materiality of events outlined above are indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Person should exercise his own judgement while assessing the materiality of events associated with the Company. In case the relevant Authorized Person perceives any doubt regarding materiality he may consult the Chairperson or any other Director before disclosing the information to the Stock Exchange(s).
- 11.3. Details of above KMPs shall be also disclosed to Stock Exchange(s) and as well as on Company's website.

12. SCOPE AND LIMITATIONS

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations/ Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be served from the Policy and rest of the Policy shall remain in force.

13. REVIEW OF THE POLICY

- 13.1. The Board shall review the Policy from time to time based on the changing needs and make suitable modifications as may be necessary. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

- 13.2. In case any provisions of the Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations (“Statutory Provisions”), the provisions of Statutory Provisions shall prevail.

14. INFORMATION DISSEMINATION

The details of establishment of such mechanism shall be disclosed by the Company on its website and in the Board’s Report.
