



STOVE KRAFT LIMITED

Policy on Determination of Materiality of Events and Information



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INTRODUCTION

This Policy for Determination of Materiality of Events and Information (the Policy) has been formulated in accordance with the guidelines laid down under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to disclosure of material events and information to the stock exchanges.

The Policy is aimed at providing guidelines, to determine the materiality of events or information and timely and adequate disclosure of such information to the Stock Exchanges.

PURPOSE

The purpose of the policy is to facilitate the following:

- To define the materiality threshold for disclosure of events and information specified in Para B of part A of Schedule III of the Regulations and help in identification of events and information for disclosure to the stock exchange(s);
- To make required disclosures within the stipulated time of actual occurrence of an event or information, after ascertaining facts;
- To define events that are not specified in Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 but shall have a material effect on the operations of Stove Kraft Ltd;
- To disclose material events or information with respect to the subsidiaries of the Company.

DEFINITION

- “Act” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.
- “Board of Directors” or “Board” means Board of the Directors of the Company
- “Company” means Stove Kraft Ltd.



- “Key Managerial Personnel” mean 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 entered into between a recognised stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015
- “Material Event” or “Material Information” shall mean such event or information as set out in Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or as may be determined in terms of this Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.
- “Mainstream Media” shall include print or electronic mode of the following:
 - i. Newspapers registered with the Registrar of Newspapers for India;
 - ii. News channels permitted by Ministry of Information and Broadcasting under Government of India;
 - iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
 - iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;]
- “Officer” means any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of Directors are accustomed to act and shall also include promoter of the Company.
- “Policy” means this Policy on Determination of Materiality of events and information and as may be amended from time to time.
- “Regulations” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof
- “Schedule” means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015



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

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

The following Key Managerial Personnel (“KMP”) of the Company will determine materiality of an event or information and make disclosures to Stock Exchange(s). The KMP’s may also seek external legal advice in case of any ambiguity.

- Managing Director
- Chief Financial Officer
- Company Secretary

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Events which are deemed to be material events

Materiality must be defined on a case to case basis depending on specific facts and circumstances relating to the information/ events. The information/ events specified in para A of Part A of Schedule III of the Regulations shall be disclosed to the stock exchange without any application of guideline for materiality.

Events which are dependent on application of guidelines for materiality

The events or information specified in Para B of Part A of Schedule III of the Regulations, shall be disclosed based on the disclosure process described in the policy.

The authorized Key Managerial Personnel may consider the below guidelines for determining materiality of event/information. All other events / information shall be considered as material if it meets any of the following criteria:

Qualitative criteria:

The following qualitative criteria shall be considered for disclosure of an event/information:

- The event or information is in any manner unpublished price sensitive



information;

- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- 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
- any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

Quantitative Criteria:

The following quantitative criteria, as specified under the Regulations or as may be amended from time to time, shall be considered for disclosure of an event/ information calculated in the manner provided below, for disclosure of an event/ information:

The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- two percent of turnover, as per the last audited consolidated financial statements of the Company;
- 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;
- 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.

GUIDELINES FOR DETERMINING WHEN AN EVENT / INFORMATION HAS OCCURRED

In some cases there may be ambiguity as to when an event/information can be said to have occurred. In certain cases, it would depend upon the stage of discussion, negotiation or approval. The events/ information can be said to have occurred upon receipt of approval of Board of Directors and/or Shareholders or actual signing of the agreement after receiving the above said approvals.

In cases where there is no such discussion, negotiation or approval required viz., in case of natural calamities, disruptions etc., the answer to the above question would depend upon the timing when the Company became aware of the event/ information.

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

DISCLOSURE PROCESS

- Any event purported to be reportable under Regulation 30 of the Regulations shall be informed to the Key Managerial Person authorized, as defined above, on an immediate basis with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation of KMPs.
- The Key Managerial Person authorized by the Board, shall severally be responsible and authorized for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this policy.
- After evaluation, the Company Secretary in his absence any one of the KMPs shall make disclosure to the Stock Exchanges.
- The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.
- Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure.
- Regular updates, where relevant, shall be made with relevant explanations.
- All disclosures shall be available on the website of the Company for a period of 5 years and thereafter will be archived for a period of 3 years.

Dissemination of the Policy:

The approved Policy shall be uploaded on the Company's website www.Stovekraft.com

Amended at the Board meeting held on 29 July 2023.