



POLICY FOR DETERMINATION OF MATERIALITY

**Pursuant to Regulation 30 read with Schedule III of the
SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Effective from	:	July 14, 2023
Last amended on	:	May 5, 2025

POLICY FOR DETERMINATION OF MATERIALITY
(Pursuant to Regulation 30 read with Schedule III of the
SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

1. PURPOSE

In terms of Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, DCM Shriram Limited (“the Company”) has formulated this “**Policy for Determination of Materiality**” (the “Policy”), as amended, as framework for ascertaining the materiality of events or information for making disclosures.

2. APPLICABILITY

This Policy is applicable for determination of materiality of events/ information to be disclosed to Stock Exchanges, which in the opinion of Board of Directors is material. Some of the events have been identified in SEBI Listing Regulations which shall be deemed to be material events and shall be disclosed accordingly.

3. CRITERIA FOR DETERMINING MATERIALITY

Criteria for determining the materiality of events or information for making disclosures shall be as under:

S. No.	Type of event / information	Criteria for determining its materiality
A.	Events / information deemed to be material [Refer Annexure-1]	All events / information specified under Para A of Part A of Schedule III of SEBI Listing Regulations are deemed to be material and shall be disclosed. Indicative list of such events is given in Annexure-1.
B.	Events / information considered material based on meeting certain criteria [Refer Annexure-2]	All events / information specified under Para B of Part A of Schedule III of SEBI Listing Regulations, indicative list of such events given in Annexure-2, which meet the following criteria of materiality shall be disclosed: (i) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or (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; or (iii) The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following and/or as per the criteria applicable to the event or information:

S. No.	Type of event / information	Criteria for determining its materiality
		(1) 2% of Turnover, as per the last audited consolidated financial statements of the Company; (2) 2% 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; (3) 5% of the Average of Absolute Value of Profit or Loss After Tax, as per the last three audited consolidated financial statements of the Company. (iv) The event or information is considered material in the opinion of the Board of Directors of the Company.
C.	Any other events / information viz. major development etc.	Any 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, shall be disclosed.
D.	Any other events / information specified by SEBI	Event / information as specified by SEBI from time to time shall be disclosed.
E.	Any other event / information, as may be decided by the Board	Any other event / information which the Board of Directors of the Company may decide to disclose shall be disclosed.

Note: The above requirements are based on SEBI Listing Regulations, as amended from time to time, and shall stand modified, if and to the extent SEBI modifies/clarifies/ re-enacts the corresponding provisions and in such case, the modified requirements, if any, shall apply accordingly.

4. DISCLOSURE OBLIGATIONS & AUTHORIZATION OF KMPs

a) KMPs authorised to determine materiality of events / information

The CFO and Company Secretary shall jointly determine the materiality of the event or information as per this Policy, for the purpose of making disclosure.

Contact details of the CFO and Company Secretary shall be disclosed to the stock exchange(s) and shall also be made available on the website of the Company.

b) Responsibility of Senior Management Personnel

All Senior Management Personnel of the Company shall identify, within their respective functional area(s), any potential material event or information based on Para 3 of this Policy and promptly intimate the same to CFO and Company Secretary.

No Senior Management Personnel shall make any announcement or communication through social media intermediaries or mainstream media regarding any potential material event or information, as defined in Para 3 of this Policy, without consulting the CFO and Company Secretary.

In case any Senior Management Personnel requires any assistance in identification of any potential event or information as material for the purpose of this Policy, they shall consult the CFO and Company Secretary.

c) Responsibility for making disclosure to stock exchange(s)

In case the materiality is so determined or mandatory disclosure is required to be made, the Company Secretary shall make the disclosure to the stock exchange(s).

d) Timeline and Manner of making disclosure(s)

The timeline for making disclosures under this Policy shall be in accordance with the timelines specified under SEBI Listing Regulations or any circulars or notifications issued by SEBI or any statutory/competent authority, as amended from time to time, which presently is:

- **30 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. In case the closure of meeting of Board of Directors is after normal trading hours but more than 3 hours before the next trading day, then disclosure shall be made within **3 hours** from closure of Board Meeting.
- **12 hours** from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- **24 hours** from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

In case an event or information is required to be disclosed in terms of SEBI 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.

5. REPORTING OF MARKET RUMOURS

Subject to its applicability, the Company shall confirm, deny or clarify, upon Material Price Movement, any reported event or information in the Mainstream Media which is not general in nature and which indicates that rumours of an impending specific event or information in terms of provisions of the SEBI Listing Regulations are circulating amongst the investing public, as soon as reasonably possible and not later than the time prescribed under SEBI Listing Regulations. The Promoters, Directors, key managerial personnel or senior management of the Company shall provide adequate, accurate and timely response to queries raised or explanation sought by the Company in order to ensure compliance with the requirements of verification of market rumours. For the purpose of verification of market rumours, the Company shall follow the industry standards note on verification of market rumours and other relevant circulars/notifications/rules/regulations issued by SEBI or any other statutory authority.

6. GENERAL

The Company Secretary is authorised to modify / amend / revise this Policy from time to time, to the extent of giving effect to any statutory amendment(s) or any clarification(s) issued by any statutory authority that needs to be incorporated in this Policy. Notwithstanding the above, the Board of Directors may review and amend this Policy from time to time, as it deems fit.

In case of any subsequent amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, the same shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy, from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-1 Mandatory Disclosures - Events/information deemed to be material

Annexure-2 Materiality Disclosures - Events/information based on criteria of materiality

Mandatory Disclosures**Events / information deemed to be material**

(Corresponding to Para A of Part A of Schedule III of SEBI Listing Regulations)

S. No.	Type of event / information
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s) whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.
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.
3	New Rating(s) or Revision in Rating(s).
4	Outcome of Meetings of the board of directors: a) Dividend related matters; b) Buyback of securities; c) Fund Raising proposed to be undertaken d) Increase in Capital by Issue of Bonus Shares through capitalization; e) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue; f) Short Particulars of any other Alterations of Capital; g) Financial Results; i) Voluntary Delisting
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 listed entity), 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.
5A	Agreements entered into by the Shareholders, Promoters, Promoter Group Entities, Related Parties, Directors, Key Managerial Personnel, Employees of the listed entity or of its Holding, Subsidiary or Associate Company, among themselves or with the listed entity 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 listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements. Provided that such agreements entered into by a listed entity 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 listed entity or they are required to be disclosed in terms of any other provisions of these regulations.
6	Fraud or defaults by listed entity, its Promoter, Director, Key Managerial Personnel, Senior Management or Subsidiary or arrest of Key Managerial Personnel, Senior Management, Promoter or Director of the listed entity, whether occurred within India or abroad.
7	Change in Directors (including Independent Director), Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Senior Management, Auditor and Compliance Officer. In case of resignation, the letter of resignation along with detailed reasons for the resignation within 7 days from the date of resignation.

S. No.	Type of event / information
	In case MD/CEO of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than 45 days in any rolling period of 90 days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
8	Appointment or discontinuation of Share Transfer Agent.
9	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions
10	One time settlement with a bank.
11	Winding-up petition filed by any party / creditors.
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 listed entity.
13	Proceedings of Annual and extraordinary general meetings of listed entity.
14	Amendments to memorandum and articles of association of listed entity, in brief.
15	(a) (i) Schedule of analysts or institutional investors meet; (ii) Presentations for analysts or institutional investors meet, post earnings or quarterly calls shall be disclosed to the recognized stock exchanges prior to beginning of events; (b) Audio recordings, video recordings, if any, and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means.
16	Events in relation to corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code
17	Initiation of Forensic audit
18	Announcement or communication through social media intermediaries or mainstream media by Directors, Promoters, Key Managerial Personnel or Senior Management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of the Listing Regulations and is not already made available in the public domain by the listed entity.
19	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its Directors, Key Managerial Personnel, Senior Management, Promoter or Subsidiary, in relation to the listed entity, in respect of the following: (a) search or seizure; or (b) re-opening of accounts under Section 130 of Companies Act, 2013; or (c) investigation under the provisions of Chapter XIV of Companies Act, 2013.
20	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its Directors, Key Managerial Personnel, Senior Management, Promoter or Subsidiary, in relation to the listed entity, in respect of the following: (a) suspension; (b) imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called; along with the details pertaining to the actions(s) initiated, taken or orders passed.
21	Voluntary revision of financial statements or the report of the board of directors of the listed entity under Section 131 of Companies Act, 2013.

Materiality based Disclosures**Events / information based on criteria of materiality**

(Corresponding to Para B of Part A of Schedule III of SEBI Listing Regulations)

S. No.	Type of event / information
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2	Events pertaining to: (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (b) adoption of new line(s) of business; or (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
3	Capacity addition or product launch.
4	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
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.
6	Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7	Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9	Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10	Options to purchase securities including any ESOP/ESPS Scheme
11	Giving of guarantees or indemnity or becoming a surety by whatever name called for any third party.
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
13	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.