

Suumaya Industries Limited
(Formerly known as Suumaya Lifestyle Limited)



**POLICY ON DETERMINATION OF MATERIALITY FOR
DISCLOSURES**

of

SUUMAYA INDUSTRIES LIMITED

(Formerly known as Suumaya Lifestyle Limited)

Regd. Office: Wing B, 20th Floor, Lotus Corporate Park,
Western Express Highway, Goregaon (East)

Mumbai 400063 Maharashtra India.

CIN: L18100MH2011PLC220879

Website: www.suumaya.com

Policy on Determination of Materiality for Disclosures

1. Background

Suumaya Industries Limited ('the Company') is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on National Stock Exchange of India Limited (NSE) and must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (herein after referred to as "the Listing Regulations"). Regulation 30 of the Listing Regulations mandate listed entities to formulate a policy for determining materiality of events or information that warrant disclosure to investors. It is in this context that the Policy on Determination of Materiality for Disclosures ("Policy") is being framed and implemented.

2. Definitions

In this Policy, unless the context otherwise requires, the terms defined herein shall bear the meanings assigned to them below, and their cognate expressions shall be construed accordingly:

- a. "Act" means the Companies Act, 2013 (and the Rules) and the Companies Act, 1956 to the extent applicable.
- b. "Board of Directors" or the "Board" shall mean the Board of Directors of the Company.
- c. "Company" means Suumaya Industries Limited (Formerly known as Suumaya Lifestyle Limited).
- d. "Chief Financial Officer" or "Head of Finance", by whatever name called, shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognised stock exchange(s) in its filing under the Listing regulations
- e. "Key Managerial Personnel" means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- f. "Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (As amended from time to time)
- g. "Promoter" and "Promoter Group" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of Regulation 2(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- h. "Subsidiary" means a subsidiary as defined under Section 2(87) of the Companies Act, 2013;
- i. "Stock Exchanges" means National Stock Exchange of India Limited (NSE) where the equity shares of the Company are listed.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be

3. Objective of the Policy

The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the SEBI Listing Regulations, various Securities Laws and any other legislations, as applicable.
- b. To ensure that the information disclosed by the Company is adequate, accurate, timely and transparent.
- c. To ensure that all investors have equal access to important information that may affect their investment decisions.
- d. To protect the confidentiality of Material/Price sensitive information within the context of the Company's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company and avoiding establishment of false market in the securities of the Company.
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.
- g. To determine the principles of materiality based on which the Company shall make disclosures of events or information

4. Type of Information

The information covered by this Policy shall include "information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions" (hereinafter referred to as "material information") that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

5. Persons Responsible for Disclosure

The following KMPs are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s) ("Authorized Person(s)") on a timely basis:

- a. Chairman
- b. Executive Director
- c. Managing Director
- d. Chief Financial Officer (CFO) and/or Chief Executive Officer (CEO)
- e. Company Secretary

In order to assist the Authorised Persons, the Board has further decided that the Head- Legal in consultation with the respective Operations/ HOD will decide on the materiality (based on the

Criteria for determination of materiality) of the event/ information and on the basis of their guidance/decision, the Authorised Persons would then take a final decision on the disclosure.

In case of in case of any event or information, including the information forming part of Annexure 1 and Annexure 2 to the Policy, the Head-Legal shall forthwith inform any of the Authorized Person(s) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.

The Authorized Persons will then ascertain the materiality of such event(s) or information based on the above guidelines.

On completion of the assessment, the Authorized Persons shall, if required, make appropriate disclosure(s) to the Stock Exchanges.

The Authorised Persons shall take decisions in this regard with consensus, provided however that where consensus cannot be reached in reasonable time, with regard to urgency of the matter, the Chairman & Managing Director shall take the final decision.

Head-Legal shall have the following powers and responsibilities, jointly and severally, for determining the material events or information and keeping the Authorised Officers informed accordingly

- a. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- d. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the SEBI Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- e. To disclose all events or information with respect to the subsidiaries which are material for the Company.

6. Guidelines for Assessing Materiality

Materiality will be determined on a case-to-case basis depending on the facts and the circumstances pertaining to the event or information.

Event or information that is to be disclosed without any application of the guidelines for materiality are specified in Annexure 1 to this Policy. (As specified in Para A of Part A of Schedule III of the Listing Regulations)

Event or information that is to be disclosed based on materiality principle are specified in Annexure 2 to this Policy. (As specified in Para B of Part A of Schedule III of the listing Regulations)

The following criteria will be applicable for determining materiality of event or information:

- a. The omission of an event or information which is likely to:
 - result in a discontinuity or alteration of an event or information already available publicly; or

- result in significant market reaction if the said omission came to light at a later date;
- b. In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.
- In case it becomes difficult to arrive at a decision based on qualitative criteria as stated in points a) and b) above, the same may be considered material for disclosure, upon meeting materiality thresholds as mentioned herein below
 - For events specified in Annexure II of this Policy, if the impact of the occurrence of such an event would exceed 5% of the gross standalone turnover of the Company, in the immediately preceding accounting year
 - For events specified in Annexure II of this Policy with respect to a Subsidiary of the Company, if the impact of the occurrence of such an event would exceed 5% of the gross consolidated turnover of the Company, in the immediately preceding accounting year.
- c. As specified in Para C of Part A of Schedule III of the Regulations, the Company shall promptly disclose 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 financial statements of the Company 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.

7. Guidance on Timing of an Event or Information

The Company may be confronted with the question as to when an event/information can be said to have occurred.

In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances 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.

In the former, the events/information can be said to have occurred upon receipt of approval of Board of Directors.

However, considering the price sensitivity involved, for certain events, e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholders' approval.

In the latter, 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.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

8. Policy Review

The Authorized Persons may review the Policy from time to time. Material Changes to the Policy will need the approval of the Board of Directors.

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

9. Website

As per the provisions of the SEBI Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the archival policy of the Company.

10. Contact Details

For any questions or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary and Compliance Officer, who is in charge of administering, enforcing and updating this policy to the following address:

Suumaya Industries Limited
Wing B, 20th Floor, Lotus Corporate Park,
Western Express Highway, Goregaon (East)
Mumbai 400063
E-mail: sil.cs@suumaya.com

Annexure 1

Events or Information that are to be disclosed without application of Materiality Guidelines listed in the Policy

[As per Regulation 30 read with Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable]

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation – For the purpose of this sub-para, the word 'acquisition' shall mean –

- (i) acquiring control, whether directly or indirectly; or,
 - (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - a. the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - b. there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
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. Revision in Rating(s).
 4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - a. dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - b. any cancellation of dividend with reasons thereof;
 - c. the decision on buyback of securities;
 - d. the decision with respect to fund raising proposed to be undertaken
 - e. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;

- f. reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - g. short particulars of any other alterations of capital, including calls;
 - h. financial results;
 - i. decision on voluntary delisting by the listed entity from stock exchange(s).
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.
 6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
 7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 - 7A. In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor.
 - 7B. Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
 - (i) Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
 - (ii) The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - (iii) The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
 8. Appointment or discontinuation of share transfer agent.
 9. Corporate debt restructuring.
 10. One time settlement with a bank.
 11. Reference to BIFR and 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 the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - d. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - f. Appointment/ Replacement of the Resolution Professional;
 - g. Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - i. Number of resolution plans received by Resolution Professional;
 - j. Filing of resolution plan with the Tribunal;
 - k. Approval of resolution plan by the Tribunal or rejection, if applicable;
 - l. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
 - m. Any other material information not involving commercial secrets.
 - n. Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS
17. 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 listed entities:
 - a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
 - b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.

Annexure 2

Events or Information that are to be disclosed based on Materiality Guidelines listed in the Policy

[As per Regulation 30 read with Part B of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable]

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or 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) (as a borrower) 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. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
