

Policy on Criteria for determining Materiality of Events or Information for disclosure to Stock Exchanges

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



SHINING TOOLS LIMITED

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I. Introduction:

This Policy shall be called '**Policy on Criteria for determining Materiality of Events or Information for disclosure to Stock Exchanges**' of Shining Tools Limited ("Shining Tools" or "the Company"). This Policy has been framed in accordance with the requirement of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations].

II. Objective:

The purpose of this Policy is to provide overall governance framework for ascertaining the materiality of events or information relating to the Company and to ensure that the Company disseminates such events and information promptly to the Stock Exchanges, on which the securities of the Company are listed. This Policy shall co-exist with the Code for Prevention of Insider Trading of the Company.

III. Definitions:

1. **Company** means Shining Tools Limited.
2. **Key Managerial Personnel** shall mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.
3. **Listing Agreement** shall mean an agreement that is entered into between a Shining Tools recognized stock exchange and the Company pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. **Material Event or Material Information** shall mean such event or information as may be determined in accordance with Clause IV of this Policy.
5. **Policy** means '**Policy on Criteria for determining Materiality of Events or Information for disclosure to Stock Exchanges**' of the Company, as may be amended from time to time.
6. **Regulations** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 or any other applicable law or regulation to the extent applicable to the Company.

IV. Person(s) responsible for determining materiality of event or information for making disclosure:

Chairman & Managing Director (CMD), Director (Finance), Company Secretary of the Company or any other person authorized by CMD shall be severally authorized to determine materiality of events or information as per guidelines given below and for the purpose of making disclosure(s) to stock exchanges, where the securities of the Company are listed, subject to the provisions of this Policy:



1. the event or information is, in any manner, unpublished price sensitive information;
2. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
3. 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
4. any other event/information which, in the opinion of the Board of Directors of the Company, may be considered to be 'material'.

All events or information as specified in **Annexure I** to this Policy shall be deemed to be 'material' and the Company is required to make disclosure of such events. Further, disclosure of events specified in **Annexure II** to this Policy, is to be made, based on application of the guidelines for materiality as given above.

Further, concerned Head of Departments (HoDs) shall be responsible for giving prompt intimation relating to any event or information pertaining to their respective functional areas, to the Company Secretary. In case any such event or information is required to be disclosed or is material in nature, but is not in the knowledge of concerned HoD or comes to his knowledge subsequently, concerned HoD shall report it to the Company Secretary immediately upon becoming aware of it. On receipt of communication of such event or information, the matter will be reviewed by the Company Secretary and disclosures shall be made accordingly.

Person(s) authorized for making disclosure(s) to stock exchanges	Contact details of authorized persons
Managing Director	VIPULBHAI LALJIBHAI GHONIA Address: Prem Raj, 06-Alka Society, Mavdi Main Road, B/H Visveshwar Temple, Rajkot, Gujarat – 360004 Email id: stl5182@gmail.com Phone Number: 9374100268
Chief Finance Officer and Director	ABHISHEK ARVINDBHAI DOBARIA Address: Dave Sheri, Keshod, Junagadh, Gujarat – 362220 Email id: adobaria9@gmail.com Phone Number: 9909568689
Company Secretary	SNEHA DHAVAL SHAH Address: 302, Aikya One, 32-38, Sanjiv Baug, New ShardaMandir Road, Nr Parimal under Cross Road, India, 380007 Email id: snehadesai2990@gmail.com Phone Number: 9977909782

Chairman and Managing Director (CMD) of the Company shall be authorized to approve any changes in the person(s) responsible for making disclosures and to nominate any other KMP for this purpose, as may be required from time to time.



V. Disclosure of events or information:

1. The Company shall ensure that disclosure of the following events or information is made to the Stock Exchanges, on which the Company's securities are listed, **within 30 minutes of the closure of the Board meeting**, held to consider the respective events or information:

- 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;
- any cancellation of dividend with reasons thereof;
- the decision on buyback of securities;
- the decision with respect to fund raising proposed to be undertaken;
- increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
- 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;
- short particulars of any other alterations of capital, including calls;
- financial results;
- decision on voluntary delisting by the listed entity from stock exchange(s).

2. The Company shall ensure that disclosure of the following events or information, is made to the Stock Exchanges, on which the Company's shares/ non-convertible debt securities are listed, as soon as reasonably possible, and **not later than twenty four hours of occurrence of the event or information:-**

- Events or information, as specified in **Annexure I** to this Policy, are required to be disclosed without any application of the guidelines for materiality.
- Events or information, as specified in **Annexure II** to this Policy, are required to be disclosed upon application of the guidelines for materiality, as given in Clause IV of this Policy.
- Events or information in respect of material changes in status of Company's subsidiaries.
- Disclosures of any other event or information which, in the opinion of the Board of Directors of the Company, may be considered to be 'material'.
- Any other events or information viz. major development that is likely to affect business eg. 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.
- Any other event or information, which may have material impact on the Company or any other disclosure required to be made as per requirement of any law for the time being in force. In case the disclosure is made after twenty four hours of occurrence of the event or information, the Company shall, along with such disclosures, provide an explanation for delay.



3. The Company shall promptly inform the stock exchange(s) of all events or information including information specified in **Annexure III** to this Policy, which has bearing on the performance/operation of the listed entity, price sensitive information or any action that shall affect payment of interest or redemption of non-convertible debt securities.

Explanation - The expression 'promptly inform', shall imply that the stock exchange(s) must be informed as soon as practically possible and without any delay and that the information shall be given first to the stock exchange(s) before providing the same to any third party.

4. Material developments on above disclosures shall also be made on a regular basis, till such time the event is resolved/closed, with relevant explanations.

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

VI. Hosting of Information on the Company's Website:

The Company shall disclose on its website all such events or information which has been disclosed to Stock Exchange(s) under this Policy, and such disclosures shall be hosted on the Company's website for a minimum period of five years and thereafter as per the archival policy of the Company. The contact details of KMPs responsible for making disclosures shall be disclosed to the Stock Exchange(s) and also hosted on the Company's website. Further, the Policy shall be disclosed on the website of the Company.

VII. Amendment:

CMD-Shining Tools Limited shall have the power to amend any of the clauses of this Policy in the light of changes in statutory provisions, as may be notified, from time to time.



Annexure I

Events which are required to be disclosed without any application of the guidelines for Materiality (as per Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015):

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 Company shall disclose to the Stock 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.

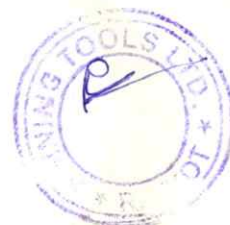


6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
7. Change in Directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
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.

Annexure II

Events which are required to be disclosed upon application of the guidelines for materiality (as per Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015):

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.

Annexure III

As per Part B of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, disclosure of Information which has bearing on performance/operation of the Company or is price sensitive or shall affect payment of interest on or redemption of non-convertible debt securities is required to be made including the following:

- (1) expected default in timely payment of interests or redemption or repayment amount or both in respect of the non-convertible debt securities and also default in creation of security for debentures as soon as the same becomes apparent;
- (2) any attachment or prohibitory orders restraining the listed entity from transferring non-convertible debt securities from the account of the registered holders along-with the particulars of the numbers of securities so affected, the names of the registered holders and their demat account details;
- (3) any action which shall result in the redemption, conversion, cancellation, retirement in whole or in part of any non-convertible debt securities;
- (4) any action that shall affect adversely payment of interest on non-convertible debt securities including default by issuer to pay interest on non-convertible debt securities or redemption amount and failure to create a charge on the assets;
- (5) any change in the form or nature of any of its non-convertible debt securities that are listed on the stock exchange(s) or in the rights or privileges of the holders thereof and make an application for listing of the securities as changed, if the stock exchange(s) so require;
- (6) any changes in the general character or nature of business / activities, disruption of operation due to natural calamity, and commencement of commercial production / commercial operations;



(7) any events such as strikes and lock outs which have a bearing on the interest payment/ principal repayment capacity;
(8) details of any letter or comments made by debenture trustees regarding payment / non-payment of interest on due dates, payment/non-payment of principal on the due dates or any other matter concerning the security, listed entity and /or the assets along with its comments thereon, if any;

(9) delay/ default in payment of interest or dividend / principal amount /redemption for a period of more than three months from the due date;

(10) failure to create charge on the assets within the stipulated time period;

(11) any instance(s) of default/delay in timely repayment of interests or principal obligations or both in respect of the debt securities including, any proposal for re-scheduling or postponement of the repayment programmes of the dues/debts of the Company with any investor(s)/lender(s).

Explanation.- For the purpose of this sub-para, 'default' shall mean Non-payment of interest or principal amount in full on the pre-agreed date and shall be Shining Tools recognized at the first instance of delay in servicing of any interest or principal on debt.

(12) any major change in composition of its Board of Directors, which may amount to change in control as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(13) any revision in the rating;

(14) the following approvals by Board of Directors in their meeting:-

(a) the decision to pass any interest payment;

(b) short particulars of any increase of capital whether by issue of bonus securities through capitalization, or by way of right securities to be offered to the debenture holders, or in any other way;

(15) all the information, report, notices, call letters, circulars, proceedings, etc concerning non-convertible debt securities;

(16) any other change that shall affect the rights and obligations of the holders of non-convertible debt securities, any other information not in the public domain necessary to enable the holders of the listed securities to clarify its position and to avoid the creation of a false market in such listed securities or any other information having bearing on the operation/performance of the listed entity as well as price sensitive information.

