

## NOVA IRON AND STEEL LIMITED

### **MATERIALITY POLICY AS PER REGULATION 30 OF SEBI (LODR) REGULATION 2015**

#### **1. PREAMBLE**

The Board of Directors (the “Board”) of Nova Iron and Steel Limited (hereinafter referred to as the “Company”) has adopted the following policy and procedures with regard to determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

#### **2. POLICY INTENT**

Policy is to ascertain the materiality of events or information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make disclosure of events / information specified in Para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

#### **3. CRITERIA FOR DETERMINATION**

(a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

(b) 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;

(c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

#### **4. DISCLOSURE OF EVENTS OR INFORMATION**

**A.** The Company as per sub-regulation (2) of Regulation 30 will make disclosure of events or information as specified in Para A of Part A of Schedule III to the Stock Exchange without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation 30 upon their occurrence are discussed below:

I. 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

a. acquiring control, whether directly or indirectly; or,

b. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –

- 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;

- 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.

II. 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.

III. Revision in Rating(s).

IV. 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).

V. 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.

VI. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

VII. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

VIII. Appointment or discontinuation of share transfer agent.

IX. Corporate debt restructuring.

X. One time settlement with a bank.

XI. Reference to BIFR and winding-up petition filed by any party / creditors.

XII. 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.

XIII. Proceedings of Annual and extraordinary general meetings of the listed entity.

XIV. Amendments to memorandum and articles of association of listed entity, in brief.

XV. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

B. The Company as per sub-regulation (3) of regulation 30 will make disclosure of the following events or information as specified in para B of Part A of Schedule III to the Listing Regulations, based on application of the guidelines for materiality upon occurrence to the Stock Exchanges after following the procedural guidelines of this Policy:

I. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.

II. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tieup, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).

III. Capacity addition or product launch.

IV. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.

V. 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. VI. 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.

VII. Effect(s) arising out of change in the regulatory framework applicable to the listed entity

VIII. Litigation(s) / dispute(s) / regulatory action(s) with impact.

IX. Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of listed entity.

X. Options to purchase securities including any ESOP/ESPS Scheme.

XI. Giving of guarantees or indemnity or becoming a surety for any third party.

XII. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

#### 5. AUTHORIZATION TO KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF EVENTS OR INFORMATION AND ITS DISCLOSURE TO STOCK EXCHANGE(S)

As per the procedural guidelines of this Policy the Company has authorized, Sh. Hardev Chand Verma (Whole Time Director), Sh. Dinesh Kumar Yadav (Executive Director), and Sh. Dheeraj Kumar (Company Secretary) of the Company for the purpose of appraising the materiality of an event or information which in their view is considered necessary and further disclosing that event or information to the stock exchange(s) as well as hosting of that event or information on the website maintained by the Company.

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