

NITYAS GEMS AND JEWELLERY LIMITED
(Formerly known as Nityas Gems and Jewellery Private Limited)

POLICY FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

1. INTRODUCTION

Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "SEBI (LODR) Regulations"] mandates that every listed entity shall make disclosures of any events or information which, in the opinion of the Board of Directors of the listed company, is material as well as any price sensitive information. The listed entity shall frame a policy for determination of materiality, which shall be disclosed on its website. The Board of Directors has also approved the specified criteria for the materiality.

The Board of Directors of the listed entity shall authorise one or more Key Managerial Personnel for the purpose of determining materiality of an event or information for the purpose of making disclosures.

In view of the same, this "Policy on Determination of Materiality" of **NITYAS GEMS AND JEWELLERY LIMITED (Formerly known as Nityas Gems and Jewellery Private Limited)** ('the Company') has been framed considering that stakeholders of the Company need timely, sufficient & reliable information and communication in a coherent manner regarding material events that matters / makes influence on the Company as also the regulatory requirements of Regulation 30 of the SEBI (LODR) Regulations.

2. DEFINITIONS

'Acquisition' shall mean

- a. Acquiring control, whether directly or indirectly; or acquiring or agreeing to acquire shares or voting rights in a company, whether directly or indirectly, such that
 - i. The Company holds shares or voting rights aggregating to twenty per cent or more of the shares or voting rights in the said company; or
 - ii. There has been a change in holding and such change exceeds five percent of the total shareholding or voting rights in the said company.
- b. **'Compliance Officer'** shall mean the Company Secretary of the Company.
- c. **'Market Sensitive Information'** shall mean information concerning the Company that a reasonable person will expect to have a material effect on the price or value of its securities or information which causes the market to maintain the price of security at or about its current level when it may otherwise be expected to move materially in a particular direction, given price movements in the market generally.

3. OBJECTIVE

The major objectives of the policy are:

- To enable the investors to make well-informed investment decisions.
- To take a view on the Materiality of an event that qualifies for disclosure under "the Regulations".
- To authorize the Key Managerial Personnel to determine the materiality of an event or information and to make appropriate disclosures to the Stock Exchanges.
- To ensure that the information disclosed by the Company is adequate, accurate, timely and transparent.
- To protect the confidentiality of material/price sensitive information within the context of the Company's disclosure obligations.
- To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

4. DISCLOSURE OF EVENTS / INFORMATION

Every listed entity shall make disclosures of any events or information which, in the opinion of the board of directors of the listed company, is material. The Company shall disclose to the Stock Exchange information on a continual and regular basis of events and developments on various matters. Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed based on application of materiality criteria. Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed without any application of the guidelines for materiality. The type of disclosures may be divided into following categories:

- Prior intimations
- Mandatory Disclosure of Event
- Disclosure of Event based on materiality

5. CRITERIA FOR DETERMINING MATERIALITY OF EVENT

The Company shall inform the Stock Exchange of events and developments which are price sensitive in nature or which have a bearing on the performance / operations of the Company or could otherwise substantially impact the company.

In applying the materiality test the Board shall take into account the following:

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

- 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 listed entity;
 - two percent of net worth, as per the last audited consolidated financial statements of the listed entity, 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 listed entity
 - In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

The above materiality criteria are only to serve as a guiding reference and the final decision with regard to materiality of an event would vest in the Key Managerial personnel so authorized by the Board of Directors herein.

6. GUIDELINES FOR RUMOUR VERIFICATION

The Company shall confirm, deny or clarify, upon the material price movement as may be specified by the stock exchanges, any reported event or information in the mainstream media, which is not general in nature and indicates that rumour of an impending specific event or information is circulating amongst the investing public and also provide the current stage of such event or information. Such disclosure will be as per the timelines prescribed under SEBI Listing Regulations.

7. GUIDELINES FOR COMMUNICATION

In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30, 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.

8. GUIDELINES 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

9. ANY OTHER INFORMATION / EVENT REQUIRING DISCLOSURE

- a. Such details as may be necessary to give the shareholders and general public sufficient information to form a fair view on the price of the securities of the Company.
- b. The disclosure guidelines prescribed by the Stock Exchange(s), if any shall be adhered to.
- c. Any event or information, including the information specified in Para A and Para B of Part A of Schedule III of the SEBI Listing Regulations shall be forthwith informed to the KMP(s) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- d. The KMP(s) will then ascertain the materiality of such event(s) or information based on the above guidelines.
- e. On completion of the assessment, the KMP(s) shall, if required, make appropriate disclosure(s) to the stock exchanges.

10. PERSONS AUTHORIZED TO DECIDE ON THE MATERIALITY OF AN EVENT / INFORMATION FOR THE PURPOSE OF MAKING DISCLOSURE TO THE STOCK EXCHANGES

The Board have authorized the KMP as defined under clause 2(c) of the Policy to determine the materiality of an event or information and to make appropriate disclosure on a timely basis. The KMPs are also empowered to seek appropriate counsel

or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The KMPs shall have the following powers and responsibilities for determining the material events or information:

- 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.

11. INTERPRETATION

In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this Policy is amended to conform to the law, rule, regulation or standard.

12. REVIEW

This policy shall be reviewed from time to time so that the policy remains compliant with applicable legal requirements. The Board of Directors of the Company, subject to applicable laws, is entitled to amend, suspend or rescind this Policy at any time in line with the Listing Regulations. In case of any conflict between this policy and Act, Rules or Regulations or any other law as may be applicable such law shall prevail.

The updated policy shall be continuously hosted on the website of the company.
