



**SHIPPING CORPORATION OF INDIA
LIMITED**

**POLICY FOR DETERMINATION OF
MATERIALITY OF EVENTS/INFORMATION**

I. PREAMBLE:

This Policy has been framed for determination of materiality of events/information in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein referred to as “SEBI Listing Regulations”) and shall be called “Policy for Determination of Materiality of Events / Information” (hereinafter referred to as the “the Policy”) of Shipping Corporation of India Limited (hereinafter referred to as “SCI”/ “Company”).

II. OBJECTIVE OF THE POLICY:

The objective of this policy is to determine the materiality of events and/ or information which are required to be disclosed by the Company to the Stock Exchanges in terms of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to ensure continuous, adequate, accurate and timely disclosure of material events/ information by Company to the Stock Exchanges on an ongoing basis to enable the investors to make informed investment decisions.

III. APPLICABILITY:

This Policy shall be applicable throughout SCI. All events and/or information which are required to be disclosed by the Company in terms of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Policy also aims at assisting relevant employees of the Company in identifying any potential material event or information and reporting the same to the Authorized Persons, for determining the materiality of the said event or information, and for making the necessary disclosures to the Stock Exchanges.

IV. DEFINITIONS:

- (i) **“Authorised Persons”** mean the Chairman & Managing Director (CMD) and/or Functional Director(s) of the Company as mentioned under Section V of this Policy.
- (ii) **“Board of Directors” or “Board”** means the Board of Directors of Shipping Corporation of India Limited, as constituted from time to time.
- (iii) **“Unpublished Price Sensitive Information”** shall have the same meaning as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- (iv) **“Compliance Officer”** means the Company Secretary of the Company or such other Officer designated as Compliance Officer of the Company.

- (v) “**SEBI**” means the Securities and Exchange Board of India.
- (vi) “**Senior Management**” shall have the same meaning as defined under the Company’s Code of Conduct for Board Members and Senior Management, as amended from time to time.
- (vii) “**Stock Exchange**” means the Stock Exchanges where the equity shares of SCI are listed.
- (viii) “**SCI Code of Conduct for Prohibition of Insider Trading**” means the SCI Code of Conduct for Prohibition of Insider Trading framed in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Any other term not defined herein shall have the same meaning as defined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

V. AUTHORITY FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION AND POWERS OF AUTHORISED PERSONS:

1. In terms of Regulation 30(5) of SEBI Listing Regulation, the Chairman & Managing Director (CMD) and/or Functional Director(s) of the Company shall be “Authorized Persons” for the purpose of determining the materiality of an event or information.
2. The Authorized Persons are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal / external stakeholders as they may deem fit in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.
3. Upon receipt of the information, the Compliance Officer shall be responsible for coordinating with the stock exchanges, for filing necessary timely disclosures with the Stock Exchanges.
4. The Authorized Persons shall have the following powers and responsibilities for determining the material events or information:
 - (i) 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.
 - (ii) 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.
 - (iii) 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.

- (iv) 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.
- (v) To disclose all events or information with respect to the subsidiaries which are material for the Company.

VI. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION:

1. As per Regulation 30 of the SEBI Listing Regulations, the Company is required to make disclosure of certain events/ information specified Part A of Schedule III to the Stock Exchanges. Such events / information is classified into following four categories-
 - (i) Events which are deemed to be material and shall be disclosed in terms of **Para A**, Part A of Schedule III of the SEBI Listing Regulations without application of the guidelines for materiality.
 - (ii) Events which shall be disclosed in terms of **Para B**, Part A of Schedule III of the SEBI Listing Regulations upon application of the guidelines for materiality as specified in Regulation 30 (4) of the SEBI Listing Regulations.
 - (iii) 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 accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
 - (iv) Without prejudice to the generality of (i), (ii), and (iii) mentioned above, the Company may make disclosure of other events / information as may be specified by SEBI from time to time.
2. The Company shall consider an events/information as material if it meets any of the following criteria as specified in Regulation 30(4) (i) of the SEBI Listing Regulations:
 - (i) the omission of an event or information which is likely to result in discontinuity or alteration of event or information already available publicly;
 - (ii) the omission of an event or information is likely to result in a significant market reaction if the said omission came to light at a later date;

(iii) the omission of an event or information, whose value, or the expected impact, in terms of value, exceeds the lower of the following:

- a) two percent (2%) of turnover, as per the last audited consolidated financial statements of the Company;
- b) two percent (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;
- c) five percent (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) In case where the criteria specified in sub-point (i), (ii) & (iii) of point (2) above are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company, the said event/information is considered material.

3. In addition to the above, the stipulations in the 'SCI Code of Conduct for Prohibition of Insider Trading' shall also be taken into account for disclosure of any event/ information.

VII. MATERIAL EVENTS/ INFORMATION:

After following the procedural guidelines as specified under Section VIII of this Policy:

1. The Company shall make disclosure of the events and/or information specified in Para A of Part A of Schedule III to the SEBI Listing Regulations upon their occurrence to the Stock Exchanges without any application of the guidelines for materiality.
2. The Company shall make disclosure of the events and/or information specified in Para B of Part A of Schedule III to the SEBI Listing Regulations on their occurrence to the Stock Exchanges, upon application of the guidelines for materiality as specified in Regulation 30 (4) of the SEBI Listing Regulations.
3. The Company shall also make disclosure of any other events/ information 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 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.

4. Without prejudice to the above, the Company may make disclosures of events/ information as specified by SEBI from time to time.
5. The Company shall also make disclosure of any other events/ information which in the opinion of the Board of Directors of the Company may be treated as being material.
6. In case SEBI provides any amendments/ modification in the list of events/ information as specified in Part A of Schedule III or Part B of Schedule III of the SEBI Listing Regulations, the above list shall stand suitably modified.

VIII. PROCEDURE FOR DISCLOSURE OF EVENTS/ INFORMATION

1. 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 Authorised Persons upon occurrence, with adequate supporting data/information, to facilitate a timely and appropriate disclosure to the stock exchanges.
2. The Authorised Persons will then ascertain the materiality of such event(s) or information based on the guidelines as provided above. On completion of the assessment the Authorised Persons shall inform the Compliance Officer with adequate supporting data/information for appropriate disclosure(s) with the stock exchanges.
3. Upon receipt of information from Authorised Persons, the Compliance Officer shall make disclosure of said events/ information to the Stock Exchanges with necessary consultation/approval in the line with the objective of the policy.
4. The Compliance Officer shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of Regulation 30 of SEBI (LODR) Regulations, 2015 as soon as reasonably possible and in any case not later than the following:
 - (i) thirty (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;
 - (ii) twelve (12) hours from the occurrence of the event or Information, in case the event or information is emanating from within the Company;
 - (iii) twenty-four(24) hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

5. The disclosure with respect to events for which timelines have been specified in Part A of Schedule III of SEBI LODR shall be made within such timelines. In case the disclosure is made after the timelines specified under Regulation 30, the Company shall, along with such disclosure provide the explanation for the delay.
6. 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.
7. The Company shall, with respect to disclosures referred in the SEBI Listing Regulation, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
8. The Company shall disclose all events or information with respect to subsidiaries, if any which are material for the Company.
9. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
10. In case where the Authorised Person is of the opinion that an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III of SEBI Listing Regulations, but which may have material effect on it, may direct the Compliance Officer to make adequate disclosures in regard thereof.
11. All the parties to the agreements specified in clause 5A of Para A of Part A of Schedule III to SEBI (LODR) Regulations, 2015, shall inform the Company about the agreement to which the Company is not a party, within two (2) working days of entering into such agreements or signing an agreement to enter into such agreements.

IX. AMENDMENTS TO THE POLICY:

Any subsequent notification, circular, guidelines or amendments in the below mention laws shall forthwith be implemented by the Company and consequent changes in this Policy shall be carried out with approval from Chairman & Managing Director (CMD) of SCI and be communicated on the relevant platform:

- (i) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015,
- (ii) The Companies Act, 2013 and rules made there under
- (iii) Any other statutory or regulatory law.

Provided the Board is kept informed about the said amendment at the first Board Meeting held after such amendment.

Any amendment for reasons other than those mentioned above shall need approval by the Board of Directors.

X. PUBLICATION ON WEBSITE:

A copy of the policy duly approved by the Board of Directors of the Company shall be hosted on the website of the company.

The Company shall disclose on its website all such events or information which has been disclosed to Stock Exchange(s) under the Regulation 30 of SEBI Listing Regulations, and such disclosures shall be hosted on the website of the listed entity for a minimum period of five years and thereafter as per the Archival Policy of the Company, as disclosed on its website.

Contact details of Authorized Persons shall be separately disclosed to the Stock Exchanges as well as it shall be uploaded on the Company Website www.shipindia.com
