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## **POLICY ON DETERMINING OF MATERIALITY OF EVENTS/INFORMATION**

### **CHANDAN STEEL LIMITED**

[As approved by the Board of Directors on 20<sup>th</sup> March 2026]

### **Chandan Steel Limited**

**CIN: U99999MH1989PLC054206**

**504, Sukh Sagar, N S Patkar Marg, Mumbai – 400 007**

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## **INTRODUCTION:**

As per Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a listed entity is required to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, on the basis of the criteria specified in sub-regulation (4) of Regulation 30.

## **OBJECTIVE OF THIS POLICY:**

- A. To ensure that the Company complies with the disclosure requirements pursuant to applicable Law.
- B. To ensure that events/information disclosed by the Company in a timely manner.
- C. To ensure transparency and timely disclosure of relevant events/information to the shareholders of the Company which is important to protect the interests of the shareholders of the Company.
- D. To help KMPs/ Directors in determining Materiality of events/information.
- E. To develop systematic approach in disclosing events/information relating to the Company.

## **DEFINITIONS:**

- i. **"Board"** means Board of Directors of the Company.
- ii. **"Company"** means Chandan Steel Limited
- iii. **"Key Managerial Personnel"** means key managerial personnel as defined under the Companies Act, 2013 and includes:-
  - (i) Chief Executive Officer or Managing Director or Manager
  - (ii) Company Secretary;
  - (iii) Whole-time Director;
  - (iv) Chief Financial Officer; and
  - (v) Such other officer as may be prescribed
- iv. **"Compliance Officer"** shall mean the Company Secretary of the Company.
- v. **"Expected Impact in terms of value"** shall mean the monetary impact of an event or information, whether immediate or over a period of time, directly relatable to or occasioned by the event or information, on the basis of full expected potential of the event or information, whether, on turnover, net worth, or and profit/ loss of the Bank, as ascertained or expected at the time of occurrence of the event or information.
- vi. **"Market Rumour(s)"/"Rumour"** shall mean an information, not based on official Stakeholder Communication issued by or on the authority of the Company, about some impending event or development pertaining to the Company, whether emanating from within the Company or not, which, had it been verified as true or ripe for disclosure, would constitute a Material Event or Information, or is likely to have caused a Significant Market Reaction, but shall exclude each of the following:

- Any matter, news or comments on matters of general relevance, whether pertaining to the business, products, services or sectors in which the Company has its interests, or not, not directly related to any event or development pertaining to the Company;
  - Some individual's or entity's interpretation or analysis of, or views on official Stakeholder Communication;
  - Any comparison or analysis of the Company with that of any of its peers, other companies or entities;
  - A pure conjecture, speculation of imprecise or incoherent nature, or a generic statement which any reasonable person would not have related with or referring to any Material Event or Information. For example: "something is happening in the Company"; "some big news is coming" – these conjectures are unlikely to make a reader relate to any particular Material Event or Information.
- vii. **"Mainstream media"** shall include print or electronic mode of the following:
- Newspapers registered with the Registrar of Newspapers for India;
  - News channels permitted by Ministry of Information and Broadcasting under Government of India;
  - Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
  - Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India.
- viii. **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.
- ix. **"Significant Market Reaction"** shall mean a movement in Company's share prices whereby the prices of the shares of the Company may be expected to move up or move down by not less than 10% or such other dynamic circuit filter determined by the stock exchanges from time to time, while there hasn't been any Stakeholder Communication to the Stock Exchanges.
- x. **"Social media intermediaries"** shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.
- xi. **"Stock Exchanges"** means BSE Limited and National Stock Exchange of India Limited

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.

### **GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION:**

- (1) Events specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events and the Company shall make disclosure of such events without applying any guidelines/criteria;
- (2) The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations, based on the application of the following criteria for determination of materiality of events/ information:
  - 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; or
  - c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
    - i. two percent of turnover, as per the last audited consolidated financial statements of the Company;
    - ii. two percent 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; and
    - iii. 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 Company.
- (3) Any other information/event not covered above but constitutes a major development which may affect the business of the Company or which is expected to trigger material price movement shall be disclosed to the Exchanges.

### **QUANTITATIVE CRITERIA FOR DETERMINING THE MATERIALITY OF EVENTS OR INFORMATION**

Quantitative criteria would be calculated based on audited consolidated financial statements (consolidated to be read as standalone in case consolidation of accounts is not applicable) and would mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:

- i. two percent (2%) of turnover, as per the last audited consolidated financial statements of the Company; or
- ii. 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; or
- iii. five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three (3) audited consolidated financial statements of the listed entity;

Note: In terms of the SEBI Disclosure Circular, the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value/figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

## **QUALITATIVE CRITERIA FOR DETERMINING THE MATERIALITY OF EVENTS OR INFORMATION**

Qualitative criteria would mean an event/information:

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. 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; or
- iii. any other event/information may be treated as being material if in the opinion of the Board of directors of Company, the event / information is considered material.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

## **OCCURRENCE OF EVENT / AVAILABILITY OF INFORMATION**

- (1) The timing of occurrence of an event and/or availability of information has to be decided on a case to case basis;
- (2) In case of natural calamities, disruptions etc. the events/ information can be said to have occurred when the Company becomes aware of the information or as soon as, an officer of the Company has, or ought to have reasonably come into the possession of the information in the course of the performance of his duties; and
- (3) In matters which would depend on the stage of discussion, negotiation or approval, the events/information can be said to have occurred upon receipt of approval by the Board of Directors or after receipt of approval of the Board of Directors and shareholders, as the case may be.

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.

## **DISCLOSURE OF EVENTS OR INFORMATION**

(1) The Company shall first disclose to the stock exchanges all events or information which are material in terms of this Policy and/or provisions of Regulation 30 of the Listing Regulations as soon as reasonably possible and in any case not later than the following:

(a) thirty 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;

(b) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company; and

(c) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the Listing Regulations shall be made within such timelines:

Note that all timelines specified in the Listing Regulations/ Policy are inclusive of non- working day/ trading holiday.

Further, in case of any delay, an explanation shall be provided by the Company in this regard. The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.

(2) The disclosure shall be made to the stock exchanges in such manner as specified by the stock exchange from time to time. The disclosures submitted to the stock exchanges will be uploaded on the Company's website and will be retained thereafter as per the Archival Policy of the Company and guidelines issued by SEBI from time to time.

(3) In case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

“Explanation: Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors.”

(4) In case the meeting of the board of directors is being held for more than one day, the financial results of the Company shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

(5) As all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8 of paragraph B of Part A of Schedule III, are maintained in the structured digital database of the Company in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made by the Company to the stock exchange(s) within seventy-two hours of receipt of the notice.

(6) The Company shall, with respect to disclosures referred to in this Policy and/or Regulation 30 of the Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

(7) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

(8) The Company shall provide specific and adequate reply to all queries raised by stock exchanges with respect to any events or information.

(9) The Company may on its own initiative also, confirm or deny any reported event or information to stock exchanges.

(10) In case where an event occurs or an information is available with the Company, which has not been indicated in this Policy and/or Regulations 30 of the Listing Regulations, but which may have material effect on the Company, the Company shall make adequate disclosures in regard thereof.

(11) In case an event or information is required to be disclosed by the Company in terms of this Policy and/or Regulation 30 of the Listing Regulations, 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.

(12) Disclosure of information for certain types of agreements binding the Company: All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to Regulation 30 of the Listing Regulations, shall inform the Company about the agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements and the Company shall, in turn, disclose all such agreements to the Stock Exchanges and on its website specified in clause 5A of para A of part A of schedule III to Regulation 30 of the Listing Regulations.

## **VERIFICATION OF RUMOURS**

Pursuant to the Listing Regulations, top 100 listed entities (with effect from March 20, 2026 and top 250 listed entities with effect from March 24, 2026) shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of this regulation are circulating amongst the investing public, as soon as reasonably possible and not later than twenty four hours from the reporting of the event or information.

Provided further that if the listed entity confirms the reported event or information, it shall also provide the current stage of such event or information.

For the purpose of verification of market rumours, the Company shall follow the industry standards note on verification of market rumours, recognised by SEBI Circular dated May 21, 2024 and issued by Industry Standards Forum, under Regulation 30(11) of Listing Regulations, as amended from time to time.

#### **DISCLOSURE OF THE POLICY:**

The company shall disclose the policy on determining of materiality of events/information on its website, and such disclosure shall be hosted on the website of the Company for minimum period of five years and thereafter archived as per the Archival Policy of the Company

#### **IMPLEMENTATION AND MONITORING:**

A. The Board has severally authorised Whole-Time Director, Chief Executive Officer, Chief Financial Officer, and Company Secretary (“Authorized KMP’s”) of the Company to decide whether any event or information is material based on the above guidelines, verifying or denying rumors for the purposes of making disclosures to the stock exchanges.

B. The Authorized KMP’s shall in case of any doubt, call for a meeting of the Board of Directors of the Company to decide on the materiality of an event/information.

#### **Contact Details:**

Chandan Steel Limited  
Address: 504, Sukh Sagar, N S Patkar Marg, Mumbai – 400 007  
Email: [cs@chandansteel.net](mailto:cs@chandansteel.net)

#### **SCOPE AND LIMITATION**

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations / Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

#### **OBLIGATION OF INTERNAL STAKEHOLDERS AND KMPs FOR DISCLOSURE**

The relevant employees of the Company shall identify any potential material event or information and report the same to the Key Managerial Personnel, upon occurrence, with adequate supporting data/information, for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchanges. The Key Managerial Personnel will then ascertain the

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materiality of such event(s) or information based on the criteria mentioned in this Policy. Upon completion of the assessment, the Key Managerial Personnel shall, if required, make appropriate disclosure(s) to the stock exchanges.

## **AMENDMENTS**

The Board of Directors shall reserve the rights to make amendments to the Policy from time to time as it deems fit in accordance with the applicable laws, rules and regulations for the time being in force.

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, 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.

## **WEBSITE**

As per the provisions of the 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 eight years and thereafter as per the Documentation Retention and Archival Policy of the Company.

Approved on 20<sup>th</sup> March 2026