

Policy on Criteria for Determining Materiality of Events/Information

1. INTRODUCTION

- 1.1. As per the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is required to frame a policy for Determining the Materiality of Events and Information that needs to be disclosed to the Stock Exchanges and shall be displayed on the Company's website.
- 1.2. The objective of this Policy is to evaluate and fix the criteria for the determination of materiality of any event/information in relation to the Company to ensure timely and accurate dissemination of such events/information to the Stock Exchanges.

All other words and expressions used but not defined in this Policy, but defined in the Companies Act, 2013 (The Act), the Rules made thereunder and the Listing Regulations, shall have the same meaning as respectively assigned to them in such Act or Rules and the Listing Regulations or any statutory modifications or re-enactments thereto.

2. EVENTS/INFORMATION DEEMED TO BE MATERIAL

Events/information listed out in Para A of Part A of Schedule III of Regulation 30 of the Listing Regulations are deemed to be material without applying materiality criteria and the Company shall disclose the same to the Stock Exchanges and on the website of the Company within the prescribed time as mentioned in Clause 5 below.

3. FACTORS TO BE CONSIDERED FOR DETERMINING MATERIALITY OF OTHER EVENTS/INFORMATION

Events/information listed out in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed after applying the guidelines for materiality referred sub-regulation (4) of (30) of the Listing Regulations and reproduced below and the threshold criteria laid down in para 4 below:

- (a) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- (b) The omission of an event or information is likely to result in a significant market reaction on Company's securities if the said omission came to light at a later date;

4. MATERIALITY THRESHOLD CRITERIA FOR PARA B ITEMS OF PART A OF SCHEDULE III OF REGULATION 30 OF THE LISTING REGULATIONS.

- 4.1 Criteria for determination of materiality of events/information referred to in para 3 i.e 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;

(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;

4.2 In the case where the criteria specified in is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the Company, the event or information is considered material.

4.3 Materiality will be determined on a case-to-case basis depending on specific facts and circumstances relating to the information/event.

4.4 In no case shall the definition of materiality dilute any requirement specified under the provisions of the Listing Regulations.

5. TIMELINES FOR DISCLOSURE OF MATERIAL EVENTS OR INFORMATION

(a) The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of the Listing Regulations as soon as reasonably possible and in any case not later than the following:

- (i) 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;
- (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (iii) 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 shall be made within such timelines:

Provided further that if the disclosure is made after the timelines specified under the Listing Regulations, the Company shall, along with such disclosure, provide the explanation for the delay.

(b) The Company shall, with respect to disclosures referred to in the Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

(c) All the events/information considered material after applying the above criteria shall be disclosed to Stock Exchanges and on the website of the Company as prescribed in the Listing Regulations.

(d) This Policy shall assist such relevant employees which shall be decided by the Managing Director in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, in terms of Regulation 30 (5) of the Listing Regulations, for determining the materiality of the said event or information and for making the necessary disclosures to the Stock Exchange(s).

6. PERSONS AUTHORISED TO DETERMINE MATERIALITY

- 6.1. The Board of Directors of the Company from time to time shall authorize the Whole-time Directors and the Key Managerial Personnel (other than Whole-time Directors) and the Company Secretary to determine the Materiality of any event or information for the purpose of making a disclosure to the Stock Exchanges.
- 6.2 The Contact details of the above personnel shall be disclosed and updated to the Stock Exchanges and on the website of the Company from time to time.

7. DISSEMINATION

This policy shall be posted on the website of the Company and the address of such web link thereto shall be provided in the Annual Report of the Company.

8. OBLIGATIONS OF INTERNAL STAKEHOLDERS AND KMPs FOR DISCLOSURE

- 8.1 Any event or information which is considered material or likely to have impact on the market price of the Company's securities shall be forthwith informed by the concerned Senior Management Personnel to the CMD/CFO and the Company Secretary (KMPs) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- 8.2. The KMP(s) will then ascertain the materiality of such event(s) or information based on the above guidelines.
- 8.3. On completion of the assessment, the KMPs shall, if required, make appropriate disclosure(s) to the stock exchanges.

9. REVIEW AND AMENDMENT

The Board may monitor, review, and amend the Policy from time to time.

3rd version of this Policy has been amended, approved, and adopted by the Board of Directors at their Meeting held on 8th November 2023.
