

## **ZUARI INDUSTRIES LIMITED**

### **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS FOR DISCLOSURE TO STOCK EXCHANGES**

#### **1. INTRODUCTION**

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Zuari Industries Limited ("the Company") is required to formulate a policy for determination of materiality of events and information which are required to be disclosed to the stock exchanges where the securities of the Company are listed ("Stock Exchanges"). Accordingly, the Board of Directors of the Company at its meeting held on October 30, 2015 approved and adopted this "Policy for Determination of Materiality of Events for Disclosure to Stock Exchanges" ("Policy") which shall be effective from December 1, 2015.

#### **2. OBJECTIVE**

The Policy aims to provide a framework for determining materiality of events and information for the purpose of making disclosure to Stock Exchanges in terms of sub-regulations 3 and 4 of Regulation 30 of Listing Regulations.

#### **3. CRITERION FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION**

The following criterion shall be considered for determination of materiality of events and information:

- I. the event or information, omission of which is likely to result in discontinuity or alteration of event or information already available publicly; or
- II. the event or information, omission of which is likely to result in significant market reaction if disclosure or disclosure regarding omission came to light at a later date; or
- III. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following
  - 1) two percent of turnover, as per the last audited consolidated financial statements of the Company;
  - 2) 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;
  - 3) 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;
- IV. In case where the criterion specified in sub-clauses (I), (II) and (III) are not applicable, an event/information may be treated being material, if in the opinion of the Board of Directors of the Company, the event or information is considered material.

#### **4. MATERIAL EVENTS AND INFORMATION**

4.1. The below mentioned events and information if they meet the materiality criteria as specified in Clause 3 (III) above shall be considered material for the purpose of disclosure to the Stock Exchanges in terms of Regulation 30(3) of the Listing Regulations:

<b>Sr. No.</b>	<b>Event / Information</b>
1.	Commencement or any postponement in the date of commencement of a project or commercial production or commercial operations of any unit/division

2.	Any of the following events pertaining to the listed Company <ul style="list-style-type: none"> <li>• arrangements for strategic, technical, manufacturing, or marketing tie-up,</li> <li>• adoption of new lines of business or</li> <li>• closure of operations of any unit/division or subsidiary (entirety or piecemeal).</li> </ul>
3.	Capacity addition or product launch
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5.	Agreements (viz. loan agreement(s) 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.
6.	Disruption of operations of any one or more units or divisions of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts, break down of machinery etc
7.	Effect(s) arising out of change in the regulatory framework applicable to the listed entity
8.	Pendency of any Litigation(s) / dispute(s) / or the outcome thereof which may have an impact on the listed Company.
9.	Fraud/defaults, by employees of the Company which has or may have an impact on the listed Company.
10.	Options to purchase securities including any ESOP/ESPS Scheme.
11.	Giving of guarantees or indemnity or becoming a surety (by whatever named called) for any third party.
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
13	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

- 4.2 The Company shall make disclosures of any events or information which in the opinion of the Board of Directors is material. The events mentioned in PARA- A of PART – A: Disclosures of Events or Information as per Schedule III of the Regulations shall be disclosed without any application of the guidelines of materiality. The indicative list of such events shall form part of this policy. **(Sub regulation (4) of Regulation 30).**
- 4.3 The Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Board of Directors of the Company.
- 4.4. The aforesaid events and information shall be disclosed to the Stock Exchanges in the manner prescribed under Listing Regulations.
- 4.5 Timelines : The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation 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;

“Provided that 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 listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results 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.”

*Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors*

- (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- (iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:

“Provided that if all the relevant information, in respect of claims which are made against the listed entity 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, is maintained in the structured digital database of the listed entity 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 to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity:”

## **5. MECHANISM FOR SENSITIZATION OF EMPLOYEES FOR IDENTIFICATION OF MATERIAL EVENTS**

- 5.1 The Company shall arrange to sensitize the Head of the Departments (HOD )of the Company w.r.t identification of material events as per Listing Regulations. Once the HODs identify/receive any material information as per Regulation 30 read with Schedule III of Listing Regulations they shall promptly report the same to Executive Director, Chief Financial Officer and Company Secretary (“Authorised persons”).
- 5.2 Based on the material information received from HODs the Authorised Persons may severally determine whether the same is material event/information as per Regulation 30 of Listing Regulations

## **6. AUTHORITY**

- 6.1. The Board of Directors of the Company has authorised the Managing Director, Chief Financial Officer and Company Secretary (“Authorised persons”), any one of them, to determine the materiality of any event/information (including that of its subsidiaries) for the purpose of disclosure to the Stock Exchanges.
- 6.2 Normally, the Company Secretary shall make necessary disclosures of events or information to the Stock Exchanges under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by Chief Financial Officer or Managing Director of the Company.

## **7. DISCLOSURE ON 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 this regulation, 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**, as disclosed on its website.

## **8. AMENDMENT**

This Policy can be amended, modified or revised by the Board of Directors of the Company from time to time. Any provision in this policy, insofar as it is inconsistent or contradictory with the provisions of law and/ or any statutory enactments shall, to the extent of such inconsistency, be void and the provisions of law/ statutory enactment shall prevail.

***Date of Adoption: 30 October 2015***

***(effective from 1 December 2015)***

***Date of last amendment: 13 February 2025***

***(effective from 13 February 2025)***