

DEEPAK INDUSTRIES LIMITED

Policy For Determination of Materiality of Disclosure

[Pursuant to Regulation 30(4) (ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. PREFACE

Pursuant to Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of M/s. Deepak Industries Limited in its Board Meeting held on 12th February 2016 had approved the 'Policy for Determination of Materiality of Disclosure'.

Subsequently, pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 notified on 14th June 2023 and made effective from 14th July, 2023, this policy is revised to be effective from 14th July, 2023.

2. OBJECTIVE

This Policy is framed in accordance with the requirements of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations")

The objective of this policy is to define and determine materiality as required under Regulation 30(4)(ii) of the Regulations and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework to ensure appropriate and adequate dissemination of material information.

3. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Events / information shall be considered as material if there is substantial likelihood that a reasonable investor would consider such information important in making a decision to buy, sell or hold a security or where such information is likely to have a significant effect on the market price of the security.

The following are the principles for determining materiality of events or information :-

- (a) The price or value of the securities of the company in the normal course is likely to be affected on the basis of the disclosure of an event or information;

- (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;
- (c) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; and
- (d) The omission of an event or information whose value or expected impact in terms of value exceeds the lower of the following –
 - i) 2% of turnover, as per last audited consolidated financial statements of the Company;
 - ii) 2% of net worth, as per last audited consolidated financial statements of the Company, except in case, the arithmetic value of the net worth is negative;
 - iii) 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.
- (e) In cases, where the criteria specified as aforesaid are not applicable, an event or information may be treated as material if in the opinion of the Board of Directors of the Company, the event or information is considered material.

4. MATERIALITY ASSESSMENT

- i) The events specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events and shall be disclosed by the Company as per the timelines specified under Listing Regulations.
- ii) The Company shall also make disclosure of events as specified in Para B of Part A of Schedule III of Listing Regulations based of guidelines for determining materiality as per Clause 3 of this Policy.
- iii) The Company may make disclosures of event / information as specified by Securities and Exchange Board of India (SEBI) from time to time.
- iv) In case of any amendments or updations in the criteria of materiality and list of events / information specified in Part A of Schedule II or Part B of Schedule III of the Listing Regulations, this policy shall stand modified accordingly.

5. TIMELINE AND MANNER OF DISCLOSURE OF MATERIAL EVENT

The Company shall first disclose to the Stock Exchange all events / information which are material in terms of the provisions of Listing Regulations, as soon as reasonably possible and in any case not later than the following –

- i) 30 (thirty) minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event / information has been taken;
- ii) 12 (twelve) hours from the occurrence of the event / information, in case the event or information is emanating from within the Company'
- iii) 24 (twenty four) hours from the occurrence of the event / information, in case the event / information is not emanating from within the Company.

Provided that disclosure with respect to events / information for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

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

6. AUTHORISATION FOR DISCLOSURES :

- a) The Key Managerial Personnel, that is, the Managing Director/Joint Managing Director, Chief Financial Officer and the Company Secretary of the Company, any two of them are jointly and severally authorized for the purpose of determining materiality of events of information and for the purpose of making disclosures to Stock Exchange and on the website of the Company, under the Regulations.
- b) All such disclosures shall be signed by the Company Secretary or any other Key Managerial Personnel of the Company.

7. INTERPRETATION

In the event of any conflict between the provisions of this Policy and any existing or newly enacted law, rule, regulation or standard governing the Company, then such law, rule, regulation or standard shall prevail over this policy until this policy is changed to conform to the law, rule, regulation or standard.

8. AMENDMENT / MODIFICATION

The Board of Directors may amend / modify any part of this policy or the entire policy at any time as may be deemed necessary and the decision of the Board in this regard shall be final and binding. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

9. DISSEMINATION OF POLICY

The aforesaid policy shall be circulated to all Directors and Senior Management Personnel and shall also be posted on the website of the Company.

This policy was initially approved at the meeting of the Board of Directors of the Company held on 12th February 2016. It has been revised at the meeting of the Board of Directors held on 11th August, 2023.
