

DE NORA INDIA LIMITED
CIN: L31200GA1993PLC001335

**POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION TO
BE DISCLOSED TO THE STOCK EXCHANGE**

*[Pursuant to provisions of Regulation 30 SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015]*

Effective date of Policy: December 01, 2015
Policy is revised by the Board on: February 02, 2024

Registered Office:

Plot Nos. 184, 185 & 189, Kundaim Industrial Estate,
Kundaim, Goa – 403115

Policy for determination of materiality of events/information to be disclosed to the Stock Exchange

Introduction: The Securities and Exchange Board of India (SEBI), in its endeavour to consolidate and streamline the provisions of the existing Listing Agreements for different market segments of the capital market, has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as the '**Listing Regulations**'] vide its Notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 02nd September 2015 which shall come into force with effect from 01st December, 2015.

In terms of the above Listing Regulations, it is mandatory for every listed entity whose equity and convertible securities are listed, to formulate a Policy for determination of materiality of events/information to be disclosed to the Stock Exchange. This would result in consistency and uniformity in the information disclosed by listed entities to the Stock Exchange which would enable the investors to make well informed investment decisions based on the disclosures made.

De Nora India Limited (the 'Company') endeavours to comply with the above provision and provide timely, adequate and accurate disclosure of information on an ongoing basis to its various stakeholders. To achieve this objective, and in compliance with the aforesaid SEBI Regulations, De Nora India Limited hereby frames this Policy to be adopted by its Board of Directors.

Objective and Purpose of the Policy: The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates formulation of a Policy for determination of materiality of events/information to be disclosed to the Stock Exchange. This Policy has been framed for complying with this requirement.

The Policy also seeks to ensure prompt disclosure of material events/information to the investor community by the Company to enable them to take informed decisions with regard to the Company's Securities.

Policy: This policy is based on with the provisions of Regulation 30 and Schedule III of the Listing Regulations and the Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, issued by SEBI.

The Company shall make disclosures to the Stock Exchange in compliance with the provisions of Regulation 30 and Part A of Schedule III of the Listing Regulations. In determining the details of the information/event that needs to be disclosed and the timing of the disclosure the Company would be guided by the provisions of the Listing Regulations, Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, issued by SEBI and the annexures attached to it.

The Listing Regulations divide the events that need to be disclosed broadly in two categories. The events that have to be necessarily disclosed without applying any test of materiality as indicated in Para A of Part A of Schedule III of the Listing Regulations. And second, events that have to be disclosed by the Company by applying the test of materiality as indicated in Para B of Part A of Schedule III. The criteria for determining materiality of events/information are given in Section 30(4) of the Listing Regulations.

The Company shall mandatorily disclose the events as specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality, the same have been enclosed as Annexure -1 for reference.

The Company shall make disclosure of events specified in Para B of Part A of Schedule III (enclosed as Annexure – 2), based on application of the guidelines for materiality, as specified below:

Guidelines for Determining Materiality of Events or Information:

Quantitative criteria would be calculated based on audited financial statements 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:

- (a) 2% (two per cent) of consolidated turnover, as per the last audited consolidated financial statements of the Company; or
- (b) 2% (two per cent) of consolidated 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
- (c) 5% (five percent) of average of absolute value of consolidated profit or loss after tax for last 3 years, as per the last 3 (three) audited consolidated financial statements of the Company.

Qualitative criteria would mean an event/ 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 which is likely to result in significant market reaction if the said omission came to light at a later date; or
- (c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an 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.

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, as stated under Para C of Part A of Schedule III of the listing regulations, be disclosed as may be advised by the Board from time to time.

The Board of Directors may also specify any event/information which in their opinion needs to be disclosed to the stakeholders apart from those listed in the Listing Regulations.

Authorisation for disclosures: In terms of the provisions of Regulation 30 of the Listing Regulations, the Board of Directors of the Company shall also authorize one or more Key Managerial Personnel (KMP) for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the Stock Exchange.

Accordingly, the Managing Director and the Chief Financial Officer of the Company are jointly authorised by the Board to determine the materiality of an event/information and to make disclosures to stock exchange(s). Contact details of such authorized personnel needs to be disclosed to the stock exchange(s) and shall also be available on company's website.

The authorised KMP shall be responsible for complying with all the provisions of this policy in a time bound manner and to keep the Board informed about the disclosures made.

In the event the Board or the Key Managerial Personnel are unable to apply the provisions of the guidelines issued by SEBI, the authorised Key Managerial Personnel shall use his/her discretion and fair judgement in analysing whether the event/information is material and requires adequate disclosure to the Stock Exchange and accordingly take necessary steps.

If any Director or employee of the Company becomes aware of any activity / action that leads or may lead to occurrence of any material event or information, such Director or employee should report such potential material event or information to the authorised KMP, thereby enabling them to determine materiality of the said event or information for disclosing to the Stock Exchanges.

Timing of disclosures

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.

Further, disclosure with respect to events for which timelines have been specified in the Listing Regulations and circulars issued thereunder, shall be made within such timelines as prescribed by SEBI.

Alteration of the Policy: The Board of Directors shall have the power to alter the provisions of this Policy or substitute any of the provision(s) with a new provision(s) or replace the policy entirely with a new policy subject to the applicable laws. However, no such alteration or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

Any departure from the provisions of the Policy shall be recorded in writing and reasoned in the Board minutes.

Any subsequent amendment/modification in the Listing Regulations and/or applicable laws in this regard shall automatically apply to this Policy.

Disclosure of the Policy: The policy shall be posted on the Company's website and events and information disclosed to the Stock Exchange in terms of this policy will also be kept posted on the website of the Company for at least 5 years from the date of such event/information is posted.

The contact details of the persons authorized by the Board are also available on the website of the Company.

ANNEXURE 1

The below list of events as specified in Para A of Part A of Schedule III of the listing regulations, are deemed to be material events and disclosure of such events shall be made to the Stock exchanges as per the Listing regulations, 2015 and as amended from time to time.

| Schedule III, PART 'A' and Para 'A' | Provision |
|--|---|
| 1 | Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the company or any other restructuring |
| 2 | Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc. |
| 3 | New Rating(s) or Revision in Rating(s) |
| 4 | Outcome of Meetings of the Board of Directors: The company shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following: 1. dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched 2. any cancellation of dividend with reasons thereof 3. the decision on buyback of securities 4. the decision with respect to fund raising proposed to be undertaken 5. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched 6. reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to 7. short particulars of any other alterations of capital, including calls 8. financial results 9. decision on voluntary delisting by the company from stock exchange(s) |
| 5 | Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof. |
| 5A | Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements: Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management |

| | |
|----|---|
| | or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations. |
| 6 | <p>Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad:</p> <p>For the purpose of this sub-paragraph:</p> <p>(i) 'Fraud' shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.</p> <p>(ii) 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.</p> |
| 7 | Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer. |
| 7A | In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor. |
| 7B | <p>Resignation of 420[independent director] including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:</p> <p>i. The letter of resignation along with detailed reasons for the resignation as given by the said director.</p> <p>(ia). Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.</p> <p>ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.</p> <p>iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii) above.</p> |
| 7C | In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect. |
| 7D | In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s). |
| 8 | Appointment or discontinuation of share transfer agent |
| 9 | <p>Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:</p> <p>(i) Decision to initiate resolution of loans/borrowings;</p> <p>(ii) Signing of Inter-Creditors Agreement (ICA) by lenders;</p> <p>(iii) Finalization of Resolution Plan;</p> <p>(iv) Implementation of Resolution Plan;</p> |

| | |
|----|---|
| | (v) Salient features, not involving commercial secrets, of the resolution/restructuring plan as decided by lenders. |
| 10 | One time settlement with a bank |
| 11 | winding-up petition filed by any party / creditors |
| 12 | Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity |
| 13 | Proceedings of Annual and extraordinary general meetings of the listed entity |
| 14 | Amendments to memorandum and articles of association of listed entity, in brief |
| 15 | <p>(a) Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the listed entity to analysts or institutional investors. Explanation: For the purpose of this clause ‘meet’ shall mean group meetings or group conference calls conducted physically or through digital means.</p> <p>(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:</p> <p>(i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;</p> <p>(ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:</p> |
| 16 | <p>The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:</p> <p>a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;</p> <p>b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;</p> <p>c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;</p> <p>d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;</p> <p>e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;</p> <p>f) Appointment/ Replacement of the Resolution Professional;</p> <p>g) Prior or post-facto intimation of the meetings of Committee of Creditors;</p> <p>h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;</p> <p>i) Number of resolution plans received by Resolution Professional;</p> <p>j) Filing of resolution plan with the Tribunal;</p> <p>k) Approval of resolution plan by the Tribunal or rejection, if applicable;</p> <p>l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:</p> <p>(i) Pre and Post net-worth of the company;</p> <p>(ii) Details of assets of the company post CIRP;</p> <p>(iii) Details of securities continuing to be imposed on the companies’ assets;</p> <p>(iv) Other material liabilities imposed on the company;</p> |

| | |
|----|--|
| | <ul style="list-style-type: none"> (v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities; (vi) Details of funds infused in the company, creditors paid-off; (vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.; (viii) Impact on the investor – revised P/E, RONW ratios etc.; (ix) Names of the new promoters, key managerial personnel, if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control; (x) Brief description of business strategy. <p>m) Any other material information not involving commercial secrets. n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS; o) Quarterly disclosure of the status of achieving the MPS; p) The details as to the delisting plans, if any approved in the resolution plan.]</p> |
| 17 | <p>Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:</p> <ul style="list-style-type: none"> a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any. |
| 18 | <p>Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.</p> |
| 19 | <p>Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:</p> <ul style="list-style-type: none"> (a) search or seizure; or (b) re-opening of accounts under section 130 of the Companies Act, 2013; or (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed: <ul style="list-style-type: none"> i. name of the authority; ii. nature and details of the action(s) taken, initiated or order(s) passed; iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority; iv. details of the violation(s)/contravention(s) committed or alleged to be committed; v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible. |
| 20 | <p>Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:</p> <ul style="list-style-type: none"> (a) suspension; |

| | |
|----|--|
| | <p>(b) imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called; along with the following details pertaining to the actions(s) initiated, taken or orders passed:</p> <ol style="list-style-type: none"> i. name of the authority; ii. nature and details of the action(s) taken, initiated or order(s) passed; iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority; iv. details of the violation(s)/contravention(s) committed or alleged to be committed; v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible. |
| 21 | Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013 |

ANNEXURE 2

The below list of events as specified in Para B of Part A of Schedule III of listing regulations, as amended from time to time, to be disclosed to the stock exchanges based on application of the guidelines for materiality.

| Schedule III, PART 'A' and Para 'B' | Provision |
|--|---|
| 1 | Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division |
| 2 | Any of the following events pertaining to the listed entity: (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (b) adoption of new line(s) of business; or (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal). |
| 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 division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc. |
| 7 | Effect(s) arising out of change in the regulatory framework applicable to the listed entity. |
| 8 | Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity |
| 9 | Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity. |
| 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 |