

**PRAJ INDUSTRIES LIMITED**

**POLICY ON DETERMINATION OF MATERIALITY OF EVENTS /  
INFORMATION**

<b>Versions of the policy</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Board approval date</b>	<b>Effective date</b>
1.	Initial adoption	29 <sup>th</sup> October, 2024	29 <sup>th</sup> October, 2024
2.	1 <sup>st</sup> amendment	25 <sup>th</sup> October, 2024	25 <sup>th</sup> October, 2024
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## **1. PREAMBLE**

This policy on determination of materiality of events/information is framed pursuant to the Regulation 30(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time.

## **2. OBJECTIVE**

**The objectives of this Policy are as follows:**

- a) To assist the Authorised Persons identified by the Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the stock exchange(s) where the securities of the Company are listed.
- b) To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded Company as laid down by the Listing Regulations, various Securities Laws and any other applicable legislations.
- c) To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

## **3. MATERIAL EVENTS / INFORMATION**

- a) The Company shall make disclosure of the events and/or information specified in Para A of Part A of Schedule III to the Listing Regulations upon their occurrence to the Stock Exchanges without any application of the guidelines for materiality.
- b) The Company shall make disclosure of the events and/or information specified in Para B of Part A of Schedule III to the Listing Regulations upon their occurrence to the Stock Exchanges after following the procedural guidelines as given in point 4 of this Policy.
- c) The Company shall also make disclosure of any other events/ information, 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 Company which may be necessary to enable the holders of securities of the Company to apprise its position and to avoid the establishment of a false market in such securities.

- d) Without prejudice to the above, the Company may make disclosures of event/information as specified by SEBI from time to time.
- e) In case of any amendments/ updations in the list of events/ information specified in Part A of Schedule III or Part B of Schedule III of the Listing Regulations, the above list of material information/ events shall stand accordingly modified.

#### **4. CRITERIA WHILE DETERMINING THE 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;
- (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 (2%) of turnover, as per the last audited consolidated financial statements of the listed entity;
  - (ii) two percent (2%) of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
  - (iii) five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;
- (d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

#### **5. DISCLOSURE REQUIREMENTS**

Pursuant to the provisions of Regulation 30(6) of the Listing Regulations, all the events / information which become material in terms of the provisions of Regulation 30 read with Para A and Para B of Part A of Schedule III of the Listing Regulations,

shall be disclosed to the Stock Exchanges as soon as reasonably possible but not later than the following:

- (i) thirty (30) 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 (12) 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 (24) 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 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.

Provided further that in case the disclosure is made after the timelines specified under Regulation 30, the Company shall, along with such disclosure provide the explanation for the delay.

## **6. WEBSITE DISCLOSURE**

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 five years and thereafter as per the archival policy of the Company.

## **7. REVIEW OF POLICY**

The Policy shall be reviewed from time to time so that Policy remains compliant with applicable legal requirements. Any subsequent amendment / modification in the Listing Regulations, Companies Act and / or applicable laws in this regard shall automatically apply to this Policy.

In case of any inconsistency between the contents of this Policy and provisions of the Listing Regulations / Companies Act, the provisions of the Listing Regulations / Companies Act shall prevail.