

E.I.D.- PARRY (INDIA) LIMITED

Policy for Determination of Materiality

Adoption and Effective Date: November 7, 2016
Adoption and Effective Date of Current Version: March 28, 2025

E.I.D. – Parry (India) Limited

Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges

1. Preamble

The following Policy, with the Guidance Manual, approved by the Board of Directors of E.I.D.-Parry (India) Limited (the "**Company**") provides an overall framework for disclosure of information or events of the Company pursuant to Regulation 30, Regulation 30A and Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"). This Policy is subject to the Board's review and changes, as may be appropriate, in conformity with the requirements of the SEBI LODR Regulations, as amended from time to time.

This policy is effective from March 28, 2025, and shall be applicable for disclosures to be made by the Company, effective this date.

2. Objective

The objective of this Policy is to facilitate timely, transparent and adequate disclosure of material information or events which are unpublished and price sensitive, have a bearing on performance or operations of the Company or may result in a significant market reaction in the price of securities of the Company if the omission comes to light at a later date. This policy is based on the principles governing the disclosures and to facilitate uniform approach in complying with the obligations in respect of disclosures under Regulation 30 as stated in the SEBI LODR Regulations and the circular(s), guideline(s) & Industry Standard Note(s) (ISN) issued by the Securities Exchange Board of India ("**SEBI**") in this regard. This policy lays down the guidelines for determining the materiality thresholds with respect to certain events or information of the Company as permitted under the SEBI LODR Regulations.

3. Definitions

- a) "**Board**" or "**Board of Directors**" means the collective body of the Directors of the Company as constituted from time to time;
- b) "**Company**" shall mean E.I.D.-Parry (India) Limited;
- c) '**Default**' for the purposes of this Policy shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.
- d) '**Fraud**' for the purposes of this Policy 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.

Explanation: In case of revolving facilities like cash credit, the Company would be considered to be in default if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

- e) **"Guidance Manual"** shall mean the 'Guidance Manual for making Disclosures of Events or Information under the Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges';
- f) **'Mainstream Media'** shall include include print or electronic mode of the following:
- Newspapers registered with the Registrar of Newspapers for India;
- News channels permitted by Ministry of Information and Broadcasting under Government of India;
- Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
- Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;
- g) **"Material Event/s"** means those event/s specified in: (i) Para A of Part A of Schedule III of the SEBI LODR Regulations, being deemed material events, which the Company shall compulsorily disclose; (ii) events specified in Para B of Part A of Schedule III of the SEBI LODR Regulations, which the Company shall disclose, based on guidelines for materiality as specified in 4 herein; (iii) events specified in Para C of Part A of Schedule III of the SEBI LODR Regulations; (iv) in case the Company has issued non-convertible securities, events specified in Part B of Schedule III of the SEBI LODR Regulations; (v) all information having a bearing on the performance/ operation of the Company, price sensitive information or any action that shall affect the payment of interest or redemption of non-convertible debt securities; and (vi) any event which may have a material effect on the Company; (vii) any event or information if in the opinion of the board of directors of the Company, is considered material.
- h) **"Normal trading hours"** shall mean time period for which the recognized stock exchanges are open for trading for all investors.
- i) **"Key Managerial Personnel"** or **"KMP"** means the personnel as defined under Section 2(51) of the Companies Act, 2013, read with the rules and regulations issued thereunder, as amended from time to time;
- j) **"Officer"** shall have the same meaning as under the Companies Act, 2013, together with rules and regulations issued thereunder, as amended from time to time;
- k) **"Ordinary course of business"** or **"normal course of business"** means all activities that are necessary, normal or incidental to the business of the Company and are permitted by objects of the Company. These would also include common practices, historical practices and customs of commercial transactions with a pattern of frequency.
- l) **"Policy"** means this Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges;
- m) **"SEBI"** means the Securities and Exchange Board of India;

- n) **"SEBI Master Circular"** means circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 issued by SEBI from time to time including any further amendments made for compliance with the provisions of the SEBI LODR Regulations, 2015 by listed entities, as amended or substituted from time to time;
- o) **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956, as amended from time to time;
- p) **"Senior Management"** shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors and shall also comprise all the members of the management one level below the chief executive officer or managing director or whole time director or manager (including chief executive officer and manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as Key Managerial Personnel, other than the Board of Directors.
- q) **"Specified securities"** means equity shares and convertible securities as defined under clause (zj) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- r) **"Stock Exchanges"** means stock exchanges on which the Securities of the Company are listed; and
- s) **"Subsidiaries"** means a subsidiary company as defined under Section 2(87) of the Companies Act, 2013, read with the rules and regulations issued thereunder, as amended from time to time.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI LODR Regulations or any other applicable law or regulation to the extent applicable to the Company.

4. **Criteria for disclosure**

The following criteria shall be considered by the Company while determining the materiality of events/information, read with the Guidance Manual:

- i. whether the omission of an event or information, is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. whether the omission of an event or information is likely to result in significant market reaction determined as per the parameters specified by the stock exchange(s) if the said omission came to light at a later date; or
- iii. whether the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - a) two percent of turnover, as per the last annual audited consolidated financial statements of the Company;
 - b) two percent of net worth, as per the last annual audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;

- c) 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; or
- iv. whether the event/information is likely to have a bearing on performance or operation of the Company or have a material impact on the business or the Company; or
- v. whether any continuing event or information becomes material or
- vi. in cases where the criteria specified in sub-clauses (i) to (v) above are not applicable,

whether an event/information may be treated as being material in the opinion of the Board.

The Managing Director (MD) / Chief Executive Officer (CEO) of the Company is authorized to determine the materiality of an event or information under this Policy and the SEBI LODR Regulations and to make relevant disclosures to the Stock Exchanges required under the SEBI LODR Regulations. The Chief Financial Officer (CFO) of the Company shall advise the MD on the materiality of the event or information based on the guidelines set in the Guidance Manual. The quantitative factors which may be considered while determining the materiality of an event or information would be those as indicated in clause 4 sub-clause (iii) of this policy. The Guidance Manual in this regard is to be used while selecting the appropriate factor before making public dissemination.

All questions about this Policy should be directed to the MD/ CEO / CFO/ Company Secretary.

5. **Applicability:**

- 5.1 The events specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events. The Company shall make disclosure of such events without application of any materiality criteria within the prescribed timelines.
- 5.2 The events specified in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed by the Company to the Stock Exchanges, if considered material as per the materiality threshold specified under SEBI Listing Regulations read with applicable SEBI Circulars and Industry Standards Note on Regulation 30 of the Listing Regulations as may be amended from time to time.
- 5.3 Any other information or event or major development likely to affect the business which are exclusively known to the Company and which may be necessary to be disclosed to enable holders of Securities of the Company to appraise its position and avoid establishment of false market in the Securities also needs to be disclosed.
- 5.4 In case the Company has listed Non-Convertible Securities (NCS), in any of the recognized stock exchanges, the Company shall refer to Regulation 51 of the SEBI LODR Regulations to identify the Material Events to be reported to the stock exchange(s).

- 6. **Authorization and co-ordination for Disclosure:** Pursuant to Regulation 30(5) of the SEBI LODR Regulations, the CEO/ MD/ CFO are authorized by the Board for the purpose of determining materiality of an event or information and the Company Secretary is authorized for making disclosures to the Stock Exchange(s) under this Policy.

Once the CEO/MD in consultation with the CFO (in cases where materiality thresholds are applicable) decides to make a disclosure under this Policy, it will be forthwith informed to the Company Secretary for dissemination to stock exchanges within the stipulated timelines. In the absence of the Company Secretary, the dissemination can be made by the CEO/ MD or CFO.

7. The contact details of the said KMPs will be disclosed to the stock exchanges as well as uploaded on the website of the Company.
8. **Time of Disclosure:** Disclosures shall be made as soon as possible but within the time limits, as given below. However, in cases where the disclosure cannot be made within the said time limit, the Company shall disseminate the same after the expiry of such period, along with an explanation for the delay.

Disclosures with respect to material events/information stated in Regulation 30 of the SEBI LODR Regulations shall be made as soon as possible and, in any case, not later than the following:-

- i. thirty minutes from the closure of the meeting of the Board in which the decision pertaining to the event or information has been taken.

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, a disclosure of the decision pertaining to the event or information, shall be made within three hours from the closure of the board meeting.

Further, 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;

- ii. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company; and
- 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.

The timelines stipulated in this Regulation for making disclosures to the stock exchanges would begin once an officer of the Company has become aware of the occurrence of an event / information, through credible and verifiable channels of communication.

Defence for delay in disclosure of an event/information:

It shall be a defence for non-compliance with the timelines prescribed if there is any reasonable delay on account of:

- (i) a force majeure event,
- (ii) time taken for completion of prima facie assessment of materiality for certain relevant events (such as orders, fraud, winding-up petitions, action initiated, claims made against the Company, etc.), or
- (iii) information / event relating to subsidiary, director, key managerial personnel, senior management or promoter (where the Company is not directly involved), etc. In such

events, explanation for the delay should be provided along with the disclosure of the event / information.

The disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the SEBI LODR Regulations shall be made within such timelines.

Timelines for claims under any litigation/dispute (other than tax related): If all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of sub-para 8 of Para B of Part A of Schedule III, is maintained in the structured digital database 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 Company.

Updates on ongoing tax litigations or disputes in terms of Para B(8) of Part A of Schedule III of LODR shall be reported on a quarterly basis to the Stock Exchanges as part of Integrated Filing (Governance).

9. **Details of Disclosure:** The Company will disclose details for the events set out in Para A, Para B, and Para C of Part A of Schedule III of the SEBI LODR Regulations, in accordance with the guidelines prescribed under the relevant SEBI Master Circular and ISN. Further, the Company shall ensure that the disclosures are appropriate and would be consistent with the facts of each event being disclosed by the Company.

Additionally, in case of disclosures about the Company's agreements or treaty(ies) or contracts with media companies which are binding and not in the normal course of business, the Company shall comply with the disclosure requirements prescribed under the SEBI Press Release No. 200/ 2010 dated August 27, 2010 and the Press Council of India Press Release No. PR/3/10-11-PCI dated August 2, 2010.

10. **Updation:** With respect to the disclosures made pursuant to this Policy, the Company shall also make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations there for.
11. **Subsidiary information/ event:** The Company shall disclose all events or information with respect to its subsidiaries to the extent the event or information is material for the Company. The criteria for disclosure for this reporting would be the same as stated in Clause 4 above.
12. **Disclosures other than listed events/information:** In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III of the SEBI LODR Regulations, but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.
13. **Manner of Disclosure:** Any information to be disseminated, including responses to any queries raised by the stock exchanges, is required to be given in the manner prescribed by the Stock Exchanges in this regard.

The Company shall confirm, deny or clarify, upon the material price movement (based on the applicability as specified by the Stock Exchanges from to time), any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific event or information is circulating amongst the investing public, as soon as reasonably possible and not later than twenty four hours from the trigger of material price movement. In case the Company confirms the reported event or information, it shall also provide the current stage of such event or information.

If the Company confirms within 24 hours from the trigger of material price movement, any reported event or information on which pricing norms provided under Chapter V or Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or pricing norms provided under Regulation 8 or Regulation 9 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 or pricing norms provided under Regulation 19 or Regulation 22B of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 or any other pricing norms specified by the SEBI or the stock exchanges are applicable, then the effect on the price of the equity shares of the Company due to the material price movement and confirmation of the reported event or information may be excluded for calculation of the price for that transaction as per the framework as may be specified by the SEBI.

The Company shall also disclose on its website all such events or information which has been disclosed to stock exchange(s) under this Policy and, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the Company's Archival Policy, as disclosed on its website. The Company's Code for practices and procedures for fair disclosure of unpublished price sensitive information will also be adhered to.

14. **Dissemination of the Policy:** A copy of the Policy shall be put up on the website of the Company.
15. **Review of the Policy:** The Policy shall be subject to review of the Board, and the Board will be authorized to amend it suitably, as may be deemed necessary in accordance with any regulatory requirements or amendments.

This policy was modified on March 28, 2025.
