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**PONDY OXIDES AND CHEMICALS
LIMITED**

**POLICY ON DETERMINATION OF
MATERIALITY FOR DISCLOSURE OF
EVENTS AND INFORMATION**

1. Background:

Pondy Oxides and Chemicals Limited ('the Company') is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations") that came into effect from 1st December 2015.

SEBI Listing Regulations mandate listed entities to formulate a Policy for determining materiality of events or information that warrant disclosure to investors. It is in this context that the Policy on Determination of Materiality for Disclosures ("Policy") is being framed and implemented as per the said SEBI Listing Regulations.

2. Objective of this Policy:

- (a) 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 SEBI Listing Regulations, various Securities Laws and any other legislations, as applicable.
- (b) To ensure that the information disclosed by the Company is adequate, accurate, timely and transparent.
- (c) To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- (d) To protect the confidentiality of material/price sensitive information within the context of the Company's disclosure obligations.
- (e) To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- (f) To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures

3. Definitions:

In this Policy, unless the context otherwise requires:

- (1) "**Board of Directors**" shall mean the Board of Directors of Pondy Oxides and Chemicals Limited;
- (2) "**Promoter**" and "**Promoter Group**" shall have the same meaning as assigned to them respectively in Regulation 2(1)(oo) and (pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(3) “**Subsidiary**” means a subsidiary as defined under Section 2(87) of the Companies Act, 2013;

(4) “**Key Managerial Personnel**” or “**KMP**” means Managing Director, Whole-time Director, Chief Financial Officer, and Company Secretary of Pandy Oxides and Chemicals Limited;

(5) “**officer**” shall have the same meaning as defined under the Companies Act, 2013;

(6) “**Securities**” as defined under the Securities Contracts (Regulation) Act, 1956.

All other words and expressions used but not defined in this Policy shall have the same meaning as per SEBI Listing Regulations or SEBI Act 1992 or the Securities Contracts (Regulation) Act, 1956 or the Companies Act, 2013 or the Depositories Act, 1996 and/or the rules and regulations made thereunder, which shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

4. Type of Information for disclosure:

The information covered by this Policy shall include “information related to the Company's business, operations, or performance which has a significant effect on securities of the Company (hereinafter referred to as “**material information**”) that the Company is required to disclose in a timely and appropriate manner as stated in the SEBI Listing Regulations by applying the guidelines for assessing materiality as follows:

- (a) Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed based on application of materiality criteria;
- (b) Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed without any application of the guidelines for materiality.

5. Timelines for disclosure of Material Information

The Company shall first disclose to the stock exchange(s) the “Material Information” as defined in this policy and in terms of the provisions of this regulation as soon as reasonably possible on various timelines as stated in Schedule III of SEBI Listing Regulations as follows:

- (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 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:

6. Persons responsible for Disclosure of Material Information

The Board of Directors of the Company have authorized the KMP as defined in this Policy to determine the materiality of an event or information and to make appropriate disclosure(s) on a timely basis. The KMPs are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The KMPs shall have the following powers and responsibilities for determining the material events or information:

- (a) To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- (b) To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- (c) To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- (d) To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the SEBI Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- (e) To disclose all events or information with respect to the subsidiaries which are material for the Company.

7. Guidelines for Assessing Materiality:

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information. The following criteria will be applicable for determining materiality of event or information:

- (a) The omission of an event or information which is likely to:
 - result in a discontinuity or alteration of an event or information already available publicly; or
 - result in significant market reaction if the said omission came to light at a later date;

- (b) The omission of an event or information, whose value or the expected impact in terms of value exceeds the lower of the following:
- two percent of turnover, as per the last audited consolidated financial statements of the Company; or
 - Two percent of net worth, except in case of the arithmetic value of the networth is negative, as per the last audited consolidated financial statements of the Company;
 - 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

Accordingly, any transactions exceeding the lower of above, with an annual impact in value, will be considered for the above purposes.

- (c) In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed

8. Guidelines for Communication:

In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

9. Timing of an Event or Information:

- ❖ The Company shall make disclosure(s) of events/ information as specified in Para A and Para B of Part A of Schedule III of Regulation 30, if considered material after application of guidelines for assessing materiality as per Clause 6 of this Policy.
- ❖ Apart from the above, any other material information/event viz. major development that is likely to affect business and/or the price of the Securities of the Company e.g. emergence of new technologies, any change of accounting policy that may have a significant impact on the accounts, expansion of Companies into other industries, 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 appraise its position and to avoid the establishment of a false market in such securities, shall also be disclosed to the stock exchange(s).
- ❖ The Company shall disclose to the stock exchange(s) material updates on the events/ information disclosed under this Policy till such time the event is resolved/ closed, with relevant explanations and including the events/information can be said to have occurred upon receipt of approval of Board of Directors.

- ❖ The Company shall also disclose all events/ information with respect to its subsidiaries, if any which are material for the Company, by applying the guidelines for assessing materiality as given in clause 6 of this Policy;
- ❖ The events/information can also be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties
- ❖ Without prejudice to the generality of provisions of this Policy, the Company may make disclosures of event/information as specified by the Board from time to time.

10. Obligations of Internal Stakeholders and KMPs for Disclosure

- (a) Any event or information, including the information specified in Para A and Para B of Part A of Schedule III of the SEBI Listing Regulations shall be forthwith informed to the KMP(s) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges;
- (b) The KMP(s) will then ascertain the materiality of such event(s) or information based on the above guidelines.
- (c) On completion of the assessment, the KMP(s) shall, if required, make appropriate disclosure(s) to the stock exchanges.

11. Review of this Policy:

The KMP(s) may review the Policy from time to time. Material changes to the Policy will need the approval of the Board of Directors. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

12. Effective date:

The Policy has been effective 1st December 2015 and the amended Policy, shall be effective from 14th July 2023.

13. Website:

As per the provisions of the SEBI Listing Regulations, this Policy shall be disclosed on the website of the Company.

14. Contact Details:

Any questions or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary of the Company, who is in charge of administering, enforcing and updating this policy.
