

## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION**

### **1. INTRODUCTION**

SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 requires every listed entity to make disclosures of any events or information (collectively called events) which in the opinion of the Board of Directors are material.

The Board of Directors (the “board”) of “Polycon International Limited” (the “company”) has approved this policy with regard to determination of materiality of events or information which are required to be disclosed to the Stock Exchanges in the terms of Regulation 30 of the Listing Regulations.

### **2. PURPOSE OF THE POLICY**

The purpose of this policy is to determine materiality of events and information on the basis of criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure timely and adequate disclosure of material events under the Listing Regulations.

### **3. DEFINITIONS:**

- (i) “**Act**” means the Companies Act, 2013.
- (ii) “**Board of Directors or Board**” means the Board of Directors of the Polycon International Limited, as constituted time to time.
- (iii) “**Key Managerial Personnel**” means key managerial personnel as defined in sub-section(51) of section 2 of the Companies Act, 2013 and as amended from time to time.
- (iv) “**BSE Limited**” means Stock Exchange, where the equity shares of the company are listed.
- (v) “**Company**” means Polycon International Limited.
- (vi) “**Compliance Officer**” means the officer appointed by the Board of Directors of the company for the purpose of these regulations from time to time.
- (vii) “**LODR Regulation**” means SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.
- (viii) “**Material Event**” shall mean such event or information as set out in the Schedule or as may be determined in terms of Clause 6 of the Policy.
- (ix) “**Regulations**” shall mean Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements)Regulations. 2015 including any modifications, clarifications, circulars or re-enactment thereof.
- (x) “**SEBI**” means the Securities Exchange Board of India.

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

#### **4. DISCLOSURE OF EVENTS OR INFORMATION**

The company shall make disclosure of any events or information to the stock exchanges on a timely basis as follows:

1. Events or information specified in Para A of Part A of Schedule III of Listing Regulations are required to be disclosed to Stock Exchange immediately irrespective of application of the policy for materiality. The applicable events are given in Annexure-1
2. Events or information specified in Para B of Part A of Schedule III of Listing Regulations are required to be disclosed to the stock exchange if they are considered material on the basis of this policy. The applicable events are given in Annexure- 2.

Any other events or information which are not covered in Annexure 1 and 2 but have a material effect, are also required to be disclosed.

#### **5. Interpretation**

Terms that have not been defined in this policy shall have the same meaning assigned to them under the Companies Act, 2013, SEBI Act 1992 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### **6. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION**

Materiality of the events shall be determined on a case to case basis depending on specific facts and circumstances relating to it

As per Regulation 30(4)(i) of the Listing Regulations the company shall consider the following criteria for determination of materiality of an event or information:

1. The omission of disclosure of such event or information which likely to result in discontinuity or alteration of event or information already available publicly; or
2. The omission of disclosure of such event or information is likely to result in significant market reaction if the said omission came to light at a later date.
3. An event or information may be treated as being material if in the opinion of the Board of Directors of the company the event/information is considered material.

## **AUTHORISED PERSON AND DISCLOSURE PROCESS**

The Board has duly authorized “ Key Managerial Personnel” namely the Chairman & Managing Director (CMD), Chief Financial officer (CFO) and Company Secretary of the company ,jointly or severally.

- a) To decide the materiality of any events which may qualify for disclosure and settle any interpretation issue relating thereto.
- b) To review and finalize the details to be disclose to the stock exchange.
- c) To determine the occurrence of any event to be reported to the Stock Exchange with in time specified under the Listing Regulations.
- d) To finalize the required disclosures to be made to the Stock Exchange.
- e) To consider the events, other than those mentioned in Annexure A and B, which may require disclosures to be made to the Stock Exchange.
- f) To provide specific and adequate reply on behalf of the Company to all queries raised by the Stock Exchange with respect to any events.
- g) All such disclosures shall either be duly signed by CMD or CFO or Company secretary of the company.

Details of the authorized KMP'S shall be also disclosed to the BSE and as well as on the company's website **[www.polyconltd.com](http://www.polyconltd.com)**

### **POLICY REVIEW**

The Board of Directors of the Company reserves the right to amend or modify this Policy in whole or in part, as may be required under the Listing Regulations including any statutory modification thereof, at any point of time

## **7. COMMUNICATION OF THIS POLICY**

This policy, all amendments therto and disclosures made by or on behalf of the company of events to the stock exchanges, pursuant to this policy shall be hosted on the company's website.

SCHEDULE III

PART A: DISCLOSURES OF EVENTS OR INFORMATION

**A. Events which shall be disclosed without any application of the test of materiality:**

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.

Explanation: For the purpose of this sub-para, the word 'acquisition' shall mean,

- i). acquiring control, whether directly or indirectly; or,
  - ii). acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
    - a) The company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
    - b) There has been a change in holding from the last disclosure made under sub-clause a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
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. 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:
- a) dividends and/or cash bonuses recommended or declared or the decision to pass dividend and the date on which dividend shall be paid/dispatched;
  - b) any cancellation of dividend with reasons thereof;
  - c) the decision on buyback of securities;
  - d) the decision with respect to fund raising proposed to be undertaken
  - e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
  - f) 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;
  - g) short particulars of any other alterations of capital, including calls;
  - h) financial results;
  - i) 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 company),(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.
6. Fraud/defaults by promoter or key managerial personnel or by company or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
8. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
10. One time settlement with a bank.
11. Reference to BIFR and 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 company.
13. Proceedings of Annual and extraordinary general meetings of the company.
14. Amendments to memorandum and articles of association of company, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the company to analysts or institutional investors;

**SCHEDULE III**  
**PART A: DISCLOSURES OF EVENTS OR INFORMATION**

**B. Events which shall be disclosed upon application of test of materiality:**

- 1.** Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division other than in the ordinary course of business;
- 2.** Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
- 3.** Capacity addition or product launches other than in ordinary course of business;
- 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) (as a borrower) 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 company 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 company
- 8.** Litigation(s) / dispute(s) / regulatory action(s).
- 9.** Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of company.
- 10.** Options to purchase securities including any ESOP/ESPS Scheme.
- 11.** Giving of guarantees or indemnity or becoming a surety for any third party.
- 12.** Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.