



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



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[Pursuant to Regulation 30 of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Scope and Purpose

The Securities Exchange Board of India (SEBI) on September 2, 2015, has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations, 2015').

Regulation 30 requires the Company to frame and adopt a policy to determine the Material Events by testing the materiality for the purpose of proper, sufficient and timely disclosure of the same to the Stock Exchanges.

This Policy will be applicable to the Company with effect from December 1, 2015.

The Company's securities are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and therefore, Company is required to comply with the continuous disclosure obligations imposed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

In accordance with the regulatory requirements, the Board in its meeting held on February 12, 2016 has approved a policy in the name of Policy for Determination of Materiality of Events or Information (hereinafter referred to as 'The Policy')

To align with the SEBI (Listing Obligations and Disclosure Requirements) Amendments, the Board of the Company has approved the revised Policy on February 9, 2023, and the policy shall be effective immediately.

Legal Framework

This Policy for determination of Materiality of Events or Information (the "Policy") is aimed at providing guidelines to the Management of **M/S. DCW LIMITED** (the "Company"), to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the Stock Exchanges.

2. Objective

The objective of this Policy is as follows:

- a. to serve as a guiding charter to the Management to ensure timely and adequate Disclosure of events or information are made to the Investor Community by the Company under the Listing Regulations;
- b. to enable them to take well informed investment decisions with regard to the Securities of the Company;

- c. To ensure good corporate governance;
- d. To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of the specific event or information;
- e. To protect the confidentiality of Material/Price sensitive information within the context of the Company's disclosure obligations.

3. Definitions

In this policy, unless the context otherwise requires, the terms defined herein shall bear the meanings assigned to them below, and their cognate expressions shall be construed accordingly.

"Act" means the Companies Act, 2013 (and the rules made thereunder), as amended and the Companies Act, 1956 to the extent applicable.

"Board" means the Board of Directors of the Company

"Compliance officer" shall mean the Company Secretary of the Company.

"Disposal" shall mean transfer or relinquishment of property.

"Key Managerial Personnel" means key managerial personnel as defined under Section 2(51) of the Companies Act, 2013.

"Promoter" means a promoter as defined under clause (za) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

"Material Event" or **"Material Information"** shall mean such event or information as set out in the Schedule or as may be determined in terms of Clause 3 of the Policy. In the Policy, the words, "material" and "materiality" shall be construed accordingly.

"SEBI" means the Securities and Exchange Board of India.

"SEBI Listing Regulations" or **"Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or reenactment thereof.

"Subsidiary" means a subsidiary as defined under Section 2(87) of the Companies Act, 2013.

"Policy" means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.



"Regulations" mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

"Schedule" means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder 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. Criteria for Determination of Materiality of Events or Information

Information relating to material events and which is price sensitive in nature, shall be promptly disseminated to the Stock Exchanges. For this purpose, material event means any information which relates to the Company and which, if published is likely to materially affect the price of Shares of the Company.

The Company shall consider the criteria specified in Clause 6 of this policy for determining the materiality of events or information including events specified in Para B of Part A of Schedule III of the SEBI Regulations.

The disclosure of events specified in Para A of Part A of Schedule III are deemed to be material for the purpose of disclosure under Regulation 30(2) of the SEBI Regulations.

Such policy shall also be applicable in case of any other information/ event, viz. major development that is likely to affect business.

Example: 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 shareholders of the Company to appraise its position and to avoid the establishment of a false market in such securities, would be disclosed as advised by the Board from time to time.

5. Guidelines For Determining Materiality of Events or Information

The Company shall consider the following criteria for determination of materiality of events or information, as the case may be:

- 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; or
- c) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event or information may be treated as being material if in the opinion of the Board, the event or the information is considered material.
- d) Without prejudice to the generality of (a), (b) and (c) above, the Company may make disclosures of event/information as specified by the Board from time to time.
- e) Any Event/ Information which directly or indirectly may materially affect the reputation of the Company; or
- f) Any event/ information, which if not disclosed promptly may lead to creation of false market in the Securities of the Company; or
- g) If in the opinion of the Board, the consideration involved in a transaction as a percentage of Company's revenue or total assets is material and exceeds 10% of its gross turnover or 10% of its net worth whichever is higher;
- h) Whether the Event/ Information is in the ordinary course of business; or
- i) Whether the Event/ Information represents a significant shift in strategy and is an exit from, or entry into, a significant line of business; or

6. Procedural Guidelines for the Purpose of Determining Materiality of an Event or Information and for the Purpose of Making Disclosures to Stock Exchanges

In order to ensure that the Company complies with the disclosure obligations under Regulation 30 of the SEBI Listing Regulations, the Board has established an internal system for reporting any event or information which may require disclosure so that the said event or information, as the case maybe, can be properly assessed and a decision can be made regarding its disclosure to the stock exchanges. Under the system, the following KMPs are hereby severally authorized by the Board for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s):

("Authorized Person(s)"):

- a. Managing Director
- b. Chief Financial Officer
- c. Company Secretary

The materiality of events outlined above are indicative in nature. In case the relevant Authorized Person is not certain regarding the materiality of an event or any information, he/she may seek external legal advice.



Details of above KMPs shall be also disclosed to the Stock Exchange(s) and as well as on Company's website. The relevant Authorized Person would follow the disclosure process and timelines as provided in Regulation 30 of the SEBI Listing Regulations for disclosure of the material event or information, i.e., the disclosure(s) as required under the Listing Regulations will be made within 30 minutes of the conclusion of the Board Meeting or within 24 hours from the time the event occurred or the officer(s) becomes aware of the event or information, as applicable.

In the event the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures provide an explanation for such delay.

The Company shall make disclosures updating the material developments pertaining to material events on a regular basis, till such time the event is resolved/closed, and to be disclosed to the - Stock Exchanges with relevant explanations.

The Company shall promptly inform the stock exchange(s) of all information having bearing on the performance/operation of the Company, Price Sensitive Information or any action that shall affect payment of interest or dividend on non-convertible preference shares or redemption of non-convertible debt securities or redeemable preference shares.

Explanation- The expression 'promptly inform', shall imply that the stock exchange must be informed as soon as practically possible and without any delay and that the information shall be given first to the stock exchange(s) before providing the same to any third party.

The Company shall also disclose all Events or Information with respect to subsidiaries which are material, if any, for the Company.

7. Disclosure and Dissemination of Information

- I. The following information/event shall be disclosed to the stock exchanges any time after the decision is taken or approval is granted but no later than 30 minutes from the conclusion of the meeting of the Board of Directors:**
 - A. 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;
 - 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 listed entity from stock exchange(s):
(Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.)

II. The following information/event shall be disclosed to the stock exchanges as soon as possible but not later than 24 hours of the occurrence of the event/information:

- A. 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 listed entity 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 listed entity 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.
- B. 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.
- C. Revision in Rating(s).
- D. 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.
- E. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- F. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 - 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.
 - Resignation of 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:

- The letter of resignation along with detailed reasons for the resignation as given by the said director
 - Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any
 - The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - 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 first, second and third above.
- G. Appointment or discontinuation of share transfer agent.
- H. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
- Decision to initiate resolution of loans/borrowings;
 - Signing of Inter-Creditors Agreement (ICA) by lenders;
 - Finalization of Resolution Plan;
 - Implementation of Resolution Plan;
 - Salient features, not involving commercial secrets, of the resolution/restructuring plan as decided by lenders.
- I. One time settlement with a bank.
- J. Reference to BIFR and winding-up petition filed by any party / creditors.
- K. 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.
- L. Proceedings of Annual and extraordinary general meetings of the listed entity.
- M. Amendments to memorandum and articles of association of listed entity, in brief.
- N. (a) Schedule of analysts or institutional investors 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.
- (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:
- (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;
 - (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:
- The requirement for disclosure(s) of audio/video recordings and transcript shall be voluntary with effect from April 01, 2021 and mandatory with effect from April 01, 2022
- O. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;

- c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
 - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - 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;
 - f) Appointment/ Replacement of the Resolution Professional;
 - g) Prior or post-facto intimation of the meetings of Committee of Creditors;
 - 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;
 - i) Number of resolution plans received by Resolution Professional;
 - j) Filing of resolution plan with the Tribunal;
 - k) Approval of resolution plan by the Tribunal or rejection, if applicable;
 - 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:
 - i. Pre and Post net-worth of the company;
 - ii. Details of assets of the company post CIRP;
 - iii. Details of securities continuing to be imposed on the companies' assets;
 - iv. Other material liabilities imposed on the company;
 - 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, 404[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.
 - 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. 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:
- 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.

III. The following information/event shall be disclosed to the stock exchanges as soon as possible but not later than 24 hours of the occurrence of the event/information after applying the quantitative and qualitative criteria as provided in Clause 3 of the Policy.

- A. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- B. 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).
- C. Capacity addition or product launch.
- D. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- E. 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.
- F. 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.
- G. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
- H. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- I. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- J. Options to purchase securities including any ESOP/ESPS Scheme.
- K. Giving of guarantees or indemnity or becoming a surety for any third party.
- L. Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.

IV. 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.

- V. Without prejudice to the generality of para (I), (II) (III) and (IV) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.**

8. Stock Exchange Grievances

The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information;



Provided that the stock exchange(s) shall disseminate information and clarification as soon as reasonably practicable

Provided further that the company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

9. Miscellaneous

The Company shall observe the following for proper and timely disclosure of any material Events/ Information as defined hereon:

- a) The details with regard to any fraud/ default by Directors or KMP or by the Company or arrest of any KMP shall be disclosed at the time of unearthing of the fraud or occurrence of default/ arrest.
- b) The Stock Exchange(s) shall also be intimated further details regarding the same including actual amount of fraud/ default, actual impact of such fraud/ default on the Company and its Financials and corrective measures taken thereon.
- c) In case where an event occurs or an information is available with the Company, which has not been indicated in the Regulations, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.

10. Scope and Limitation

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

11. Amendments to the Policy

The Policy shall be reviewed periodically by the senior management and amendments to the Policy, if any, shall be subject to the approval of the Board, if and when practical difficulties are encountered.

12. Dissemination of the Policy

As per the provisions of the SEBI Listing Regulations, this Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company.