

**POLICY ON DETERMINATION OF MATERIALITY OF EVENTS**

Effective: November 3, 2015

Last Amended: August 14, 2023

## **POLICY ON DETERMINATION OF MATERIALITY OF EVENTS**

### **1. Preamble**

The Board of Directors (the “Board”) of Gabriel India Limited (the “Company” or “GIL”) the flagship Company of Anand Group (“Anand”), has adopted the following policy and procedures with regard to determination of materiality of events. The Board will constantly review, and if found essential, may amend this policy from time to time.

### **2. Objective**

The Objective of the policy is to ensure timely and adequate disclosure of material events under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”).

### **3. Scope**

- i. The Company shall mandatorily disclose the events as specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality.
- ii. The listed entity shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified below:
  - 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. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
    - 1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
    - 2) two percent 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;
    - 3) 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 listed entity;

- d. In case where the criteria specified in sub-clauses (a), (b) and (c) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of Company, the event / information is considered material.
- iii. 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 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, as stated under Para C of Part A of Schedule III of the listing regulations, be disclosed as may be advised by the Board from time to time.
- iv. The Company shall make disclosures of any events or information which, in the opinion of the board of directors of the listed Company, is material. In case where an event occurs or information is available with the Company, which has not been indicated in Para A and B of Part A of Schedule III but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.

#### **4. Guidance on when an event / information can be said to have occurred**

In certain instances, the occurrence of material event/information would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

The events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the Company.

#### **5. Prompt disclosure of material events**

The company shall disclose to the stock exchanges of all events, as specified in Para A and B of Part A of Schedule III or information as soon as reasonably possible and not later than the time as defined in the Listing Regulations and circulars as amended from time to time. In case the disclosure is made after the stipulated time period the Company shall, along with such disclosures provide explanation for 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 also provide specific and adequate reply to all queries raised by the stock exchanges with respect to any event/information. The Company may on its own initiative, confirm or deny any reported event or information to stock exchanges.

## **6. Authorization for disclosures**

Any two among Managing Director, Chief Financial Officer and Company Secretary are jointly authorized to determine materiality of an event/information and to make disclosures to stock exchange(s). Contact details of such authorized personnel have been disclosed to the stock exchange(s) and also available on Company's website.

## **7. Posting of information on Company's website**

All such events or information which has been disclosed to stock exchange(s) under this regulation, to be placed on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

The Policy and the contact details of the persons authorized by the Board are also available on the website of the Company.