

DISA India Limited

Determination of Materiality of Event or Information Policy

POLICY UNDER REGULATION 30 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

1. Introduction

Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') requires the Listed Companies to frame Policy for determination of Materiality of events or information which are required to be disclosed to the Stock Exchange.

2. Purpose

The purpose of this Policy is to determine materiality of events and Information and to ensure that the Company makes disclosure of events / transaction/ information specified in Part A and Part B of Schedule III of the Listing Regulations to the Stock Exchanges.

3. Authority

This Policy has been approved by the Board of Directors of DISA India Limited ('the Company') on February 11, 2016 and was effective from December 1, 2015. Further, the Policy has been revised with effect from February 9, 2023 and it has been approved by the Board at its Meeting held on February 9, 2023. Further, the Policy has been approved for revision by the Board by resolution passed by circulation on September 27, 2023 effective from July 14, 2023. Further, the Policy has been revised with effect from February 5, 2026 and it has been approved by the Board at its Meeting held on February 5, 2026.

4. Material Events/Information

Regulation 30 of the Listing Regulations specifies following as Material Events:

- a) All information / events as specified in Para A of Schedule III of the Listing Regulations as may be amended from time to time (attached as Annexure 1 to this Policy) are deemed to be material events and shall be disclosed as prescribed under the Regulations on occurrence of such events.
- b) The information / events specified in Para B of Part A of Schedule III of the Listing Regulations as may be amended from time to time (attached as Annexure 1 to this Policy) will be disclosed based on application of guidelines for Materiality specified under the Regulations.
- c) 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.
- d) Any event or information as may be specified from Securities and Exchange Board of India ('SEBI') from time to time.
- e) Any event/information as specified by the Board of Directors of the Company from time to time.

DISA India Limited

Determination of Materiality of Event or Information Policy

Provided that any confidential information which if disclosed is likely to put at risk the business interest of the Company shall not be disclosed. The Company to that extent shall make qualified disclosure to the Stock Exchanges.

5. Guidelines for Materiality Assessment

Materiality must be determined on a case to case basis depending on the material facts and the circumstances pertaining to the information or event and would be determined based on the qualitative judgement to be exercised by the Authorized Persons.

Guidance on when an Event/Information is deemed to be occurred

- a) The events / information shall be said to have occurred upon approval of Board in certain events, for example further issue of capital by rights issuance and in certain events / information after receipt of approval of both i.e. Board and shareholders of the Company.
- b) Certain events which are price sensitive in nature like declaration of dividends etc. will be deemed to have occurred and disclosed on approval of the Board pending shareholder's approval.
- c) Events such as natural calamities or disruption can be said to have occurred when the Company becomes aware of the event / information.

6. Criteria for Determination of Materiality of Events/ Information

The Listing Regulations lay down the following criteria for determining the materiality of events or information:

- 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.
- c) the omission of an event or information, whose value or the **expected impact in terms of value, exceeds** the lower of the following:
 - (i) **two percent of turnover**, as per the last audited consolidated financial statements of the listed entity;
 - (ii) **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.
 - (iii) **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

In case where the criteria specified in subclauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

DISA India Limited
Determination of Materiality of Event or Information Policy

- d) The Company shall disclose all such communication, along with the event or information pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, unless disclosure of such communication is prohibited by such authority.
- e) Any event/information, which in the opinion of the Board of Directors of listed entity is material.
- f) This policy shall not dilute any requirement specified in the Listing Regulations

The Company shall disclose all events or information with respect to subsidiaries which are material for the listed entity.

7. Authorisation for determination of Materiality of events / information/ transactions

The Managing Director and Chief Financial Officer together with Company Secretary, shall decide the "Materiality" of any event / transaction / information based on the above guidelines/criteria and intimate the Company Secretary to disclose the said information to the Stock Exchange.

8. Authorisation to KMPs to Suo moto accept / deny reported event or information

The Key Managerial Personnel (KMPs) consisting of the Managing Director and Chief Finance Officer are hereby jointly and severally authorized to Suo moto accept / deny any report event of information, which has been unauthorisedly made public by media or by any other means including but not limited to electronic means. They are further authorised to respond to the rumours amongst the general public, which has no basis of documentation, in a way which best protects the interests of the Company. Such action taken by the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent Meeting.

9. Review & Amendment

The Policy will be reviewed on a periodical basis as mandated by applicable law for the time being in force and/ or whenever need arises.

DISA India Limited
Determination of Materiality of Event or Information Policy

Annexure 1

The following shall be events or information which will be necessary to be disclosed to the Stock Exchanges as specified in Part A of Schedule III of the Listing Regulations:

A. Events whose disclosure is mandatory and which would need to be disclosed without any application of the test / guidelines for materiality:

The below events will be disclosed as soon as reasonably 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; (ii) **twelve hours** from the occurrence of the event or information, in case it is **emanating from within the Company**; and (iii) **twenty four hours** from the occurrence of the event or information in case it is **not emanating from within the Company**. Provided that if all the relevant information, in respect of claims against the Company under any litigation or dispute other than tax litigation or dispute as referred to in Regulation 30 shall be disclosed within seventy two hours of receipt of notice.

In case the disclosure is made after the timelines specified above, the Company shall along with such disclosures provide explanation for delay.

1. **Acquisition(s) (including agreement to acquire)**, Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company (if any), sale of stake in associate company of the Company or any other restructuring.

Acquisition would mean:

- (i) acquiring or agreement to **acquire shares or voting rights in a company**, whether existing or to be incorporated, whether directly or indirectly, such that -
 - (a) the Company holds shares or voting rights aggregating to **twenty 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 and such change **exceeds five per cent of the total shareholding** or voting rights in the said company.
 - (c) Cost of acquisition or the price at which **the shares are acquired exceeds** the following threshold:
 - I. **two percent of turnover**, as per the last audited consolidated financial statements of the Company;
 - II. **two percent of net worth**, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - III. **five percent of the average absolute value of profit** or loss after tax, as per the last three audited consolidated financial statements of the Company.

[Acquisition of shares or voting rights aggregating to five percent or more of the shares or voting rights in an unlisted company and any change in holding from the last disclosure made as above exceeding two per cent of the total shareholding or voting rights in the said unlisted company shall be disclosed on a quarterly basis in the format as may be specified.]

DISA India Limited
Determination of Materiality of Event or Information Policy

Sale or disposal of subsidiary and sale of stake in associate company includes:

an agreement to sell or sale of shares or voting rights in a company such that the Company ceases to be a wholly owned subsidiary, a subsidiary, or an associate company of the Company; or

- (i) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in (c) above.
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. **New ratings** of revision in rating(s).
 4. **Outcome of meetings of the board of directors:** The Company shall disclose to the Stock Exchanges, the outcome of meetings of the Board of Directors, held to consider the following:
 - (i) dividends recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid / dispatched;
 - (ii) any cancellation of dividend with reasons thereof;
 - (iii) the decision on buyback of securities;
 - (iv) the decision with respect to fund raising proposed to be undertaken;
 - (v) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited / dispatched;
 - (vi) 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;
 - (vii) short particulars of any other alterations of capital, including calls;
 - (viii) financial results; and
 - (ix) decision on voluntary delisting by the Company from Stock Exchanges.

Note: If, however, the meetings of the board of directors being held for more than one day, the financial results shall be disclosed within 30 minutes of end of the meeting for the day on which it has been considered.

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)**, 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.
6. **Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, KMP, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company** or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements.

DISA India Limited
Determination of Materiality of Event or Information Policy

Further, such agreements entered into by the Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of these regulations.

As mentioned above the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that the Company shall or shall not act in a particular manner.

7. **Fraud or defaults by the Company, its promoter** or key managerial personnel (managing directors, chief executive officer, chief financial officer, company secretary etc.), senior management or subsidiary or arrest of KMP, senior management, promoter or director of the Company, whether occurred within India or abroad.

For purposes of this sub-paragraph:

- (i) 'Fraud' shall include fraud as defined under Regulation 2(1)(c) of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- (ii) 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

In case of revolving facility like cash credit, an entity 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.

Default by a promoter, director, KMP, senior management, subsidiary shall mean default which has or may have an impact on the Company.

8. **Change in directors, key managerial personnel, senior management, auditor and compliance officer.**
9. Detailed reasons for **resignation of the auditor**, as given by the said auditor, shall be disclosed, as soon as possible but not later than 24 hours of receipt of such reasons from the auditor.
10. Following disclosures upon **resignation of an independent director**, within seven days from the date of resignation:
- (i) Letter of resignation with detailed reasons for the resignation of independent directors as given by the said director. Name of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of Board committees, if any.
 - (ii) Confirmation from the said independent director along with the detailed reasons that there is no other material reasons other than those provided.
 - (iii) The confirmation by said independent director should be submitted along with the detailed reasons, as mentioned in (i) and (ii) above.

DISA India Limited
Determination of Materiality of Event or Information Policy

11. In case of resignation of KMP, senior management, compliance officer or director other than an independent director, the letter of resignation along with detailed reasons for the resignation to be disclosed by the Company within seven days from the date of such resignation comes into effect.
12. In case the **Managing Director or Chief Executive Officer of the Company was indisposed or unavailable** to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed.
13. Appointment or discontinuation of **share transfer agent**.
14. Resolution plan/restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
 - (i) Decision to initiate resolution of loans/borrowings;
 - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of resolution plan;
 - (iv) Implementation of resolution plan;
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
15. One time settlement ("OTS") with a bank.
16. Winding-up petition filed by any party/creditors.
17. 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.
18. Proceedings of annual and extraordinary general meetings of the Company.
19. Amendments to memorandum and articles of association of the Company, in brief.
20. **Schedule of analyst or institutional investors meet at least two working days in advance** (excluding the date of the intimation and the date of the meet) and presentations made by the Company to analysts or institutional investors, post earnings or quarterly calls inclusive of group meetings or group conference calls conducted physically or through digital means shall be disclosed to the Stock Exchanges prior to beginning of such events.
21. 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 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 video recordings, if any, shall be made available on the website within forty-eight hours from the conclusion of such calls

DISA India Limited
Determination of Materiality of Event or Information Policy

- (iii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.
22. Following events in relation to the **corporate insolvency resolution** process ("CIRP") of the Company as corporate debtor under the Insolvency and Bankruptcy Code, 2016, ("IBC") if applicable:
- (i) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - (ii) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - (iii) Admission of application by the tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - (iv) Public announcement made pursuant to order passed by the tribunal under Section 13 of the IBC.
 - (v) List of creditors as required to be displayed by the corporate debtor under Regulation 13(2)(c) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - (vi) Appointment / replacement of the resolution professional;
 - (vii) Prior or post-facto intimation of the meetings of committee of creditors;
 - (viii) Brief particulars of invitation of resolution plans under section 25(2)(h) of the IBC in the form specified under regulation 36A(5) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - (ix) Number of resolution plans received by resolution professional;
 - (x) Filing of resolution plan with the tribunal;
 - (xi) Approval of resolution plan by the tribunal or rejection, if applicable;
 - (xii) Specific features and details of the resolution plan as approved by the adjudicating authority under the IBC, not involving commercial secrets such as:
 - (a) Pre and post net-worth of the Company;
 - (b) Details of assets of the Company post CIRP;
 - (c) Details of securities continuing to be imposed on the companies' assets;
 - (d) Other material liabilities imposed on the Company;
 - (e) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - (f) Details of funds infused in the Company, creditors paid-off;
 - (g) Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - (h) Impact on the investor - revised P/E, RONW ratios etc.;
 - (i) Names of the new promoters, key managerial persons(s), 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;
 - (j) Brief description of business strategy.
 - (xiii) Any other material information not involving commercial secrets;
 - (xiv) Proposed steps to be taken by incoming investor/acquirer for achieving the Minimum Public Shareholding ("MPS");
 - (xv) Quarterly disclosure of the status of achieving the MPS;
 - (xvi) The details as to delisting plans, if any approved in the resolution plan;

DISA India Limited
Determination of Materiality of Event or Information Policy

23. In case of initiation of **forensic audit**, following disclosures shall be made:
- (i) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
 - (ii) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.

24. **Announcement or communication through social media intermediaries or mainstream media by directors, promoters, KMP or senior management of the Company**, in relation to any event or information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company.

“social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

25. Action(s) initiated or **orders passed by any regulatory, statutory, enforcement authority or judicial body** against the Company or its directors, KMP, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:

- (i) search or seizure; or
- (ii) re-opening of accounts under section 130 of the Companies Act, 2013; or
- (iii) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:
 - (a) name of the authority;
 - (b) nature and details of the action(s) taken, initiated or order(s) passed;
 - (c) date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
 - (d) details of the violation(s)/contravention(s) committed or alleged to be committed;
 - (e) impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.

26. Action(s) taken or **orders passed by any regulatory, statutory, enforcement authority or judicial body** against the Company or its directors, KMP, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:

- (i) suspension;
- (ii) *imposition of fine or penalty;
- (iii) settlement of proceedings;
- (iv) debarment;
- (v) disqualification;
- (vi) closure of operations;
- (vii) sanctions imposed;
- (viii) warning or caution; or
- (ix) any other similar action(s) by whatever name called;
along with the following details pertaining to the action(s) initiated, taken or orders passed;

DISA India Limited
Determination of Materiality of Event or Information Policy

- (a) name of the authority;
- (b) nature and details of the action(s) taken, initiated or order(s) passed;
- (c) date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- (d) details of the violation(s)/contravention(s) committed or alleged to be committed;
- (e) impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.

*Imposition of fine or penalty shall be disclosed in the following manner along with the details pertaining to the action(s) taken or orders passed as mentioned in the sub-paragraph:

- (i) disclosure of fine or penalty of rupees one lakh or more imposed by sectoral regulator or enforcement agency and fine or penalty of rupees ten lakhs or more imposed by other authority or judicial body shall be disclosed within twenty four hours.
- (ii) disclosure of fine or penalty imposed which are lower than the monetary thresholds specified in the clause (i) above on a quarterly basis in the format as may be specified.]

27. Voluntary revision of financial statements or the report of the Board under section 131 of the Companies Act, 2013.

B. Events which may be disclosed to the Stock Exchanges based on the test/ guidelines of materiality:

The events as mentioned below will be disclosed based on the application of the test/ guidelines of materiality **and key principles for determination of materiality, as outlined hereunder:**

- (i) the omission of an event or information, which is likely to result in **discontinuity or alteration of event or information already available publicly;** or
- (ii) 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
- (iii) 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 audited consolidated financial statements of the Company;
 - (b) **two percent of net worth**, as per the last 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 absolute value of profit** or loss after tax, as per the last three audited consolidated financial statements of the Company.
- (iv) in a case where the criteria specified in (a), (b) and (c) is not applicable, any event/ information may be treated as material which in the opinion of the board of the Company, is considered material.

The authorised KMP under this Policy will determine on the disclosure of events or information to the Stock Exchanges based on the application of the test of materiality as mentioned above. In addition to this, the KMP while determining the materiality will do so on a case to case basis depending on specific facts / circumstances relating to the information / event and apply such

DISA India Limited
Determination of Materiality of Event or Information Policy

other qualitative / quantitative criteria if required and as may be deemed appropriate to the events as stated below.

Description of events:

1. Commencement or any postponement in the date of **commencement of commercial production** or commercial operations of any unit/division.
2. Any of the following events pertaining to the Company:
 - (i) Arrangements **for strategic, technical, manufacturing, or marketing tie-up**; or
 - (ii) adoption of **new line(s) of business**; or
 - (iii) **closure of operation of any unit**, division or subsidiary (in entirety or in piecemeal).
3. Capacity addition **or product launch**.
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) or any other agreement(s) which are binding and not in the 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, lock-outs etc.
7. Effect(s) arising out of **change in the regulatory framework** applicable to the Company.
8. **Pendency of any litigation(s) or dispute(s)** or the outcome thereof which may have an impact on the Company.
9. **Frauds/defaults by employees** of the Company which has or may have an impact on the Company.
10. Options to purchase securities, including any **employees stock option plan** / employees stock purchase scheme.
11. **Giving of guarantees** or indemnity or becoming a surety, by whatever name called for any third party.
12. Granting, withdrawal, surrender, cancellation or **suspension of key licenses or regulatory approvals**
13. Delay or **default in the payment of fines, penalties, dues, etc. to any regulatory**, statutory, enforcement or judicial authority.
- C. Any other event / information that is likely to affect business.**
Such events may include but not be limited to the following:
 1. Change in accounting policy that may have a significant impact on the accounts of the Company.

DISA India Limited
Determination of Materiality of Event or Information Policy

2. Any other event which is in the nature of major development that is likely to affect business of the Company.
 3. Any other information exclusively known to the Company which may be necessary to be disseminated to enable the holders of the securities of the Company to apprise its position and to avoid the establishment of a false market in such securities.
- D. Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.**