

# **WELSPUN SPECIALTY SOLUTIONS LIMITED**

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

(last modified on January 25, 2024)

### **A) PURPOSE**

This policy is framed in compliance with and is being hosted on the website of the Company as per the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time.

### **B) DISCLOSURE REQUIREMENTS UNDER THE SEBI LISTING REGULATIONS**

Regulation 30 of Listing Regulations, 2015 and Schedule III of the SEBI Listing Regulation, has categorized material events and information that will have a bearing on the performance / operations of the Company. The disclosures of events and information which the Company shall make to the stock exchange(s) as broadly categorized under the Listing Regulations are as under:

- a. Events listed in Clause A of Part A of Schedule III of the SEBI Listing Regulations shall be deemed material and disclosed to stock exchanges without any application of the guidelines for materiality i.e., these are mandatorily to be disclosed irrespective of the extent of happening of event.
- b. Events that have been provided in Clause B of Part A of Schedule III of the SEBI Listing Regulations shall be disclosed to stock exchanges upon application of the guidelines for materiality to be determined by the authorised key managerial personnel on the basis of criteria as mentioned in Regulation 30(4) of the SEBI Listing Regulations.
- c. Event / information specified in Clause C and D of Part A of Schedule III of the SEBI Listing Regulations are required to be disclosed based on the Company's assessment in accordance with the Listing Regulations.
- d. Any event / information which in the opinion of the Board of Directors of the Company, is material.
- e. Event / information with respect to subsidiaries of the Company which are material for the Company.

### **C) AUTHORITY TO DETERMINE MATERIALITY AND ESTABLISHMENT OF DISCLOSURE COMMITTEE**

For the purpose of determination of materiality, the Disclosure Committee consisting of Key Managerial Personnel viz. CEO & WTD, CFO and CS of the Company, as constituted by the Board, is authorized to determine materiality of events or information.

## **D) GUIDELINE FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION**

The following criteria shall be considered by the Disclosure Committee for determination of material events or information:

Where the omission of an event/information:

- a) which is likely to result in discontinuity or alteration of event or information already available publicly; or
- b) is likely to result in significant market reaction if the said omission came to light at a later date; or
- c) whose value or the expected impact in terms of value, exceeds the lower of the following:
  - 1) 2% of turnover, as per the last audited consolidated financial statements of the Company;
  - 2) 2% 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;
  - 3) 5% of the average of absolute value of profit or loss after tax, as per the last 3 audited consolidated financial statements of the Company.
- d) in case where the criteria specified in sub-clauses (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 Company, the event or information is considered material. Where the above specified criteria is not applicable, the Disclosure Committee shall determine materiality of events or information.

## **E) SPECIFIED EVENTS OR INFORMATION**

The Member(s) of Disclosure Committee shall, *inter alia*, disclose to the stock exchanges the events or information as may be specified in Para A and Para B of Part A of Schedule III of SEBI Listing Regulations, as amended from time to time.

## **F) REPORTING OF MATERIAL EVENTS OR INFORMATION**

The Company (through the members of Disclosure Committee, who are severally authorized to make disclosure) will disclose to the stock exchange(s) all events or information that are material in terms of the provisions of SEBI Listing Regulations and the circular dated 13 July 2023 issued by SEBI titled 'Disclosure of material events / information by listed entities under Regulations 30 and 30A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015' ('Circular') as soon as reasonably possible and in any case not later than the following:

- a. 30 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;
- b. 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company; and
- c. 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

In case the disclosure is made after the timeline specified under the Listing Regulations and Circular, the Company shall, along with the delayed disclosure provide the explanation for the delay.

In terms of assessing when an event / information is said to have occurred for disclosure, the Company shall be guided by the principles set out in Annexure III of the Circular.

The Disclosure Committee may identify employees of the Company who shall report to the Head/ In-charge of Department or any member(s) of the Disclosure Committee immediately upon occurrence of such events or information for determining its materiality and timely disclosure to the stock exchanges.

The listed entity shall disclose the intimations made to stock exchanges under Regulation 30 of the SEBI Listing Regulations on its website, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.

#### **G) DISCLOSURE OF THIS POLICY**

The Policy shall be disclosed on the website of the Company

#### **H) MISCELLANEOUS**

In case of any amendments to the SEBI Listing Regulations which makes any of the provisions in the Policy inconsistent, the provisions of amended regulation shall prevail over this Policy.

The Policy shall be subject to annual review / amendments as may be deemed necessary and in accordance with regulatory amendments from time to time.

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