

## GRAPHITE INDIA LIMITED

### POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

#### 1. Preamble

The Board of Directors (the “Board”) of Graphite India Limited (the “Company” or “GIL”), 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, the same have been enclosed as Annexure -1 for reference.
- 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, have been enclosed as Annexure 2 for reference.

*(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:*

- 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.*

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the listed entity within thirty days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023

- iii. 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 Annexure 1 and 2, 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 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, a Director / KMP has reasonably come into possession of the information in the course of the performance of his duties.

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

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation 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 of directors 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 the event or information is emanating from within the listed entity;

(iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines:

Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the 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.

In case where an event occurs or an information is available with the listed entity, which has not been indicated in Para A or b of Part A of Schedule III, but which may have material effect on it, the Company is required to make adequate disclosure in regard thereof

The Company shall from the date this clause becomes applicable to the Company on basis of its market cap confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of this regulation are circulating amongst the investing public, as soon as reasonably possible and not later than twenty four hours from the reporting of the event or information:

Provided further that if the Company confirms the reported event or information, it shall also provide the current stage of such event or information.

In case an event or information is required to be disclosed by the Company in terms of the provisions of this regulation, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a Company or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to these regulations, shall inform the Company about the agreement to which such a Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements:

Provided that for the agreements of clause 5A to para A of part A of schedule III of the Listing Regulations, that subsist on 14.06.23, the parties to the agreements shall inform the Company, about the agreement to which such a Company is not a party and the Company shall in turn disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.

The Company shall disclose the number of agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III, their salient features, including the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24.

#### **6. Authorization for disclosures**

The Executive Director, Company Secretary, CFO and Dy. Company Secretary are severally 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 herein below.

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

All such events or information which has been disclosed to stock exchange(s) under this regulation, would 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.

**Approved by the Board of Directors on 27.01.2016**

**Amended by the Board of Directors on 01.07.2022 and 10.08.2023**

### Annexure -1

The below list of events as specified in Para A of Part A of Schedule III of the listing regulations, are deemed to be material events and disclosure of such events shall be made to the Stock exchanges as per the Listing regulations, 2015 and as amended from time to time.

Schedule III, PART 'A' and Para 'A'	Provision
1	<p>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, sale of stake in associate company of the company or any other restructuring.</p> <p>Explanation (1) - For the purpose of this sub-paragraph, the word 'acquisition' shall mean-</p> <p>acquiring control, whether directly or indirectly; or acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –</p> <p>(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</p> <p>(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-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or</p> <p>(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.</p> <p>Explanation (2) - For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-</p> <p>(i) 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 listed entity; or</p> <p>(ii) 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 sub clause (c) of clause (i) of sub-regulation (4) of regulation 30.</p> <p>Explanation (3)- For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.”</p>
2	<p>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.</p>

3	New Rating(s) or Revision in Rating(s),
4	<p>Outcome of Meetings of the board of directors: The company shall disclose to the Exchange(s), <b>within 30 minutes of the closure of the meeting</b>, held to consider :</p> <ul style="list-style-type: none"> <li>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</li> <li>b. any cancellation of dividend with reasons thereof</li> <li>c. the decision on buyback of securities</li> <li>d. the decision with respect to fund raising proposed to be undertaken</li> <li>e. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched</li> <li>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</li> <li>g. short particulars of any other alterations of capital, including calls</li> <li>h. financial results</li> <li>i. decision on voluntary delisting by the company from stock exchange(s)</li> </ul> <p>(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.)</p>
5	Agreements which are binding and not in normal course of business, revisions or amendments and terminations thereof (viz. shareholder agreements, joint venture agreements, family settlement agreements, contracts with media companies)
5A	<p>Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, 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 listed entity is a party to such agreements provided that such agreements entered into by a 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.</p> <p>Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that Company shall or shall not act in a particular manner.”</p>
6	<p>Fraud or defaults by the company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the Company, whether occurred within India or abroad.</p> <p>For the purpose of this sub-paragraph:</p> <ul style="list-style-type: none"> <li>(i) ‘Fraud’ shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.</li> </ul>

	(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.
7	<p>Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc. Senior management, Auditor and Compliance Officer</p> <p>7A In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by said auditor, shall be disclosed by the Company to Stock Exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from auditor.</p> <p>(7B) Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:</p> <p>i. The letter of resignation along with detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges. Names of Company in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.</p> <p>ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.</p> <p>iii. The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) and (ii) above.</p> <p>(7C) In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the Company within seven days from the date that such resignation comes into effect.</p> <p>(7D) 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 to the stock exchange(s).”</p>
8	Appointment or discontinuation of share transfer agent
9	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.
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 listed entity, in brief
15	<p>(a) Schedule of Analyst or institutional investor meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations on financial results made by the company to analysts or institutional investors</p> <p>Explanation: For the purpose of this clause ‘meet’ shall mean group meetings or group conference calls conducted physically or through digital means.</p> <p>(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:</p> <p>(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;</p> <p>(ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:</p> <p>Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.</p>
16	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the insolvency Code.
17	Initiation of Forensic Audit.
18	<p>Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a 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.</p> <p>Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.</p>
19	<p>Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:</p> <p>(a) search or seizure; or</p> <p>(b) re-opening of accounts under section 130 of the Companies Act, 2013; or</p> <p>(c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;</p>
20	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the

	Company.
21	Voluntary revision of financial statements or the report of the board of directors of the Company under section 131 of the Companies Act, 2013.

SEBI Circular dated September 9, 2015 has provided the details that need to be provided while disclosing events specified in para A and B of Part A of Schedule III of the Listing regulations.

### Annexure -2

The below list of events as specified in Para B of Part A of Schedule III of listing regulations, as amended from time to time, to be disclosed to the stock exchanges based on application of the guidelines for materiality.

Schedule III, PART 'A' and Para 'B'	Provision
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:  (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (b) adoption of new line(s) of business; or (c) 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 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	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
9	Frauds or defaults by employees of the Company which has or may have an impact on the Company.
10	Options to purchase securities including any ESOP/ESPS Scheme



11	Giving of guarantees or indemnity or becoming a surety by whatever named 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.

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.

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.

SEBI Circular dated September 9, 2015 has provided the details that need to be provided while disclosing events specified in para A and B of Part A of Schedule III of the Listing regulations.

**Contact details of persons authorized for the purpose of Regulation 30 (5) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015**

Name	Designation	Phone	Email
Mr. A Dixit	Executive Director	033 - 400 29 600	<a href="mailto:adixit@graphiteindia.com">adixit@graphiteindia.com</a>
Mr. M K Chhajer	Chief Financial Officer	033 – 400 29 600	<a href="mailto:mkchhajer@graphiteindia.com">mkchhajer@graphiteindia.com</a>
Mr. B Shiva	Company Secretary	022 – 22 88 64 18	<a href="mailto:bshiva@graphiteindia.com">bshiva@graphiteindia.com</a>
Mr. S Marda	Dy. Company Secretary	033- 400 29 600	<a href="mailto:corp_secy@graphiteindia.com">corp_secy@graphiteindia.com</a>