

EVEREST INDUSTRIES LIMITED

POLICY ON DETERMINING MATERIALITY AND ARCHIVAL OF DISCLOSURES

I. OBJECTIVE

Everest Industries Limited is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company will comply with the continuous disclosure obligations as mandated by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations") that came into effect from December 1, 2015, as amended from time to time.

In terms of Regulation 30 of the Securities and Exchange(s) Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with applicable SEBI Circulars, the Board of Directors (the "Board") of Everest Industries Limited (the "Company") has adopted this Policy for determination of material events and information ("Material Information") to be disclosed to the Stock Exchange(s) and archival thereof under applicable SEBI regulations.

The objectives of this Policy are as follows:

- a) To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations.
- b) To ensure that the information disclosed by the Company is timely and transparent.
- c) To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d) To protect the confidentiality of Material / Price sensitive information within the context of the Company's disclosure obligations.
- e) To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f) To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

II. DEFINITIONS

In this policy unless the context otherwise requires,-

- a. "Act" means the Companies Act, 2013 and rules made thereunder, as amended from time to time.
- b. "Board" or "Board of Directors" shall mean the Board of Directors of Everest Industries Limited, as may be re-constituted from time to time.
- c. "Company" means Everest Industries Limited.
- d. "Financial Year" shall have the same meaning as assigned to it under section 2(41) of the Companies Act, 2013.

e. "Key Managerial Personnel" or "KMP" shall have the same meaning as defined in 2(51) of the Companies Act, 2013.

f. "Material Information/event" shall mean information/events as mentioned under clause IV and V of this Policy.

g. "Policy" means Policy of Everest Industries Limited on Determining Materiality and Archival of Disclosures pursuant to regulation 30 of Securities and Exchange(s) Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

h. "SEBI Regulations" or "Listing Regulations" shall mean Securities and Exchange(s) Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time.

i. "Senior Management" shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

All other words and expressions used but not defined in this Policy, shall have same meaning as defined in SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and if not defined therein then as per but defined in the Companies Act, 2013, SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, and/or other applicable Laws, and/or the rules and regulations made thereunder or any other such Acts or any statutory modification or re-enactment thereto, as the case may be.

Words importing the singular number shall, unless the context otherwise requires, also include the plural number and vice versa.

III. AUTHORIZED PERSONS

1. The materiality or otherwise of an information or event in terms of SEBI Regulations will be determined jointly by the Managing Director, Chief Financial Officer and Company Secretary ("Authorized Persons") in consultation with Chairman.
2. The Senior Management Personnel of the Company shall communicate potential event or information pertaining to their functional roles which is falling under Annexure II of this policy and report the same to the aforesaid Authorized Persons, as soon as they become aware of the same.
3. The Authorized persons shall have the following powers and responsibilities for determining the material events or information:
 - a. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
 - b. To determine the appropriate time at which the disclosures are to be made to the stock

exchanges based on an assessment of actual time of occurrence of an event or information and statutory requirements.

c. Till such time the material event or information as disclosed to the Stock Exchanges is resolved/closed, to review and assess developments that are material in nature in connection with such event and information and to disclose the same to Stock Exchanges, with relevant explanations.

d. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the SEBI Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.

e. To decide the appropriate period/stage at which disclosure is to be filed with the stock exchanges including details that may be filed.

4. The Authorized persons are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.
5. Contact details of the Authorized Persons are given on the website of the Company viz www.everestind.com and are also disclosed to the Stock Exchanges.

IV. MATERIAL EVENTS OR INFORMATION

1. Events or information specified in Annexure – I of this policy shall be deemed to be material events / information and will be disclosed irrespective of application of any quantitative or qualitative materiality thresholds.

2. The events or information which will be disclosed based on application of materiality criteria are given in Annexure – II of this policy.

3. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company to the stock exchange(s), not later than twenty four hours from the occurrence of event or information.

4. The Company shall, with respect to disclosures referred to in the regulation 30 of Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

5. In case where an event occurs or an information is available with the listed entity, which has not been indicated in Annexure I or II, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.

6. In case an event or information is required to be disclosed by the listed entity 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.

V. GUIDELINES FOR DETERMINING MATERIALITY OF AN EVENT/ INFORMATION SPECIFIED IN ANNEXURE – II

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information. In order to determine whether a particular event/ information is material in nature, 'quantitative' criteria will be applied.

The following criteria will be applicable for determining materiality of event 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; or

In circumstances where 'quantitative' test may not be applicable or cannot be applied, a 'qualitative' or a 'subjective' criteria as given under (a) or (b) will be applied to determine materiality:

- 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 Company;
 - (2) 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;
 - (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 Company

Accordingly, any transactions exceeding the lower of 1, 2 or 3 above, with an annual impact in value, will be considered as material.

- 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.
2. In determining materiality, a number of factors such as the nature of the information (both quantitative and qualitative), prevailing market conditions, time horizon, general business practices, industry scenario, business outlook, etc. shall be taken into consideration.
 3. The extent of the disclosures will depend upon the stage of discussions, studies, or negotiations. The contents of disclosures shall be as per the points specified by SEBI from time to time or where the same are not specified by SEBI, as may be determined by the Board or Authorised Persons.

VI. TIMELINES FOR DISCLOSURE OF INFORMATION TO STOCK EXCHANGE(S)

- a) The Company shall disclose to stock exchange(s) all events or information, as specified in Annexure -I or any other event or information specified in Annexure -II as soon as

reasonably possible and 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 para 4 of Annexure -I 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 further that in case the disclosure is made after the timelines specified under this regulation, the Company shall, along with such disclosure provide the explanation for the delay.

Provided that in certain unavoidable circumstances or due to confidentiality of information, disclosing the material event/information to the stock exchange(s) may get delayed and in that case the disclosure regarding delay in disclosing the material event/ information along with the reasonable explanation and clarification will be disseminated to the stock exchange(s)

VII. RUMOUR VERIFICATION

The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s) and the Authorised Persons shall have powers in this regard.

VIII. ARCHIVAL OF DISCLOSURES

1. The Company shall also host all disclosures pursuant to this policy on its website viz., www.everestind.com.
2. Such disclosures shall be displayed on the website of the Company for a period of five years from the date of its hosting. The disclosures which are more than five years old will be archived from the website of the Company and will be dealt in an appropriate manner as decided by the Authorized Person(s) from time to time.

IX. STATUTORY FRAMEWORK

1. This policy is framed in terms of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over this Policy and procedures until such time this policy is changed to conform to the law, rule, regulation or standard.

X. EFFECTIVE DATE

The policy was effective from December 1, 2015 and due to changes in Listing regulations w.e.f. July 14, 2023 this amended policy shall be effective from July 14, 2023.

XI. REVIEW

The Authorized persons may review the Policy from time to time. Material changes to the Policy will need the approval of the Board of Directors. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

ANNEXURE I

Events which shall be disclosed without any application of the guidelines for materiality.

Sr No.	Events	Timeline for disclosure
1	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.	Within 12 hours*
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.	Within 12 hours*
3	New Ratings(s) or Revision in Rating(s).	Within 24 hours
4	Outcome of Meetings of the board of directors	within 30 minutes of the closure of the meeting
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 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.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
6	Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity 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 listed entity or impose any restriction or create any liability upon the listed entity, 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 listed entity in the normal course of business shall not be required to be	Within 12 hours* (for agreements where Company is a party); Within 24 hours (for agreements where Company is not a party).

	disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.	
7	<p>Fraud or defaults by a Company, its Promoter, Director, KMP, Senior Management or subsidiary</p> <p>For the purpose of this sub-paragraph: (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. (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.</p> <p>Explanation 1- In case of revolving facilities 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.</p> <p>Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity.</p>	Within 24 hours
8	Arrest of KMP, Senior Management, promoter or director of the Company whether occurred within India or abroad.	Within 24 hours
9	Change in Directors, KMP (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Senior Management, Auditor and Compliance Officer	Within 12 hours* (except in case resignation);
10	<p>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:</p> <p>i. The letter of resignation along with] detailed reasons for the resignation as given by the said director. (ia). Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any. 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>	Within 24 hours resignation should be informed and within 7 days from date of resignation, letter of resignation should be given along with other details specified therein.

	iii. 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 sub-clause (i) 420[and (ii)] above.	
11	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 listed entities within seven days from the date that such resignation comes into effect.	Letter of resignation within 7 days from date of resignation comes into effect
12	In case the Managing Director or Chief Executive Officer of the listed entity 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).	Within 12 hours
13	Appointment or discontinuation of share transfer agent.	Within 12 hours*
14	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.	Within 24 hours
15	One time settlement with a bank.	Within 24 hours
16	Winding-up petition filed by any party / creditors.	Within 24 hours
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 listed entity.	Within 12 hours *
18	Proceedings of annual and extraordinary general meetings of the listed entity.	Within 12 hours*
19	Amendments to memorandum and articles of association of listed entity, in brief.	Within 12 hours*
20	(a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors. (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.	at least two working days in advance (excluding the date of the intimation and the date of the meet)
21	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.	Within 24 hours
22	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	Within 12 hours* (if initiated by the listed entity); Within 24 hours (if initiated by external agency).

	the listed entity along with comments of the management, if any.	
23	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 the Listing Regulations and is not already made available in the public domain by the Company.	Within 24 hours
24	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following: <ul style="list-style-type: none"> a. search or seizure b. re-opening of accounts under section 130 of the Companies Act, 2013 c. investigation under the provisions of Chapter XIV of the Companies Act, 2013 (Inspection, Inquiry and Investigation) 	Within 24 hours
25	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following: <ul style="list-style-type: none"> a. suspension b. Imposition of fine or penalty c. settlement of proceedings d. debarment e. disqualification f. closure of operations g. sanctions imposed h. warning or caution; or i. any other similar actions 	Within 24 hours
26	Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.	Within 12 hours*
	Any other events as may be introduced by Listing Regulations in Para A of Schedule III henceforth	

ANNEXURE II

Events which shall be disclosed upon application of the guidelines for materiality

Sr No.	Events	Timeline for disclosure
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	Within 12 hours*
2	Any of the following events pertaining to the listed entity: (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 (entirety or piecemeal)	Within 12 hours*
3	Capacity addition or product launch.	Within 12 hours*
4	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Within 24 hours
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.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
6	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.	Within 24 hours
7	Effect(s) arising out of change in the regulatory framework applicable to the listed entity.	Within 24 hours
8	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.	Within 24 hours
9	Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.	Within 24 hours
10	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours*
11	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.	Within 12 hours*
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours*
14	Any other information/event viz. major development that is likely to affect business, e.g. emergence of new	Within 24 hours

	<p>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.</p>	
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* Note: In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.

Any other events as may be introduced by Listing Regulations henceforth in Part B of Schedule III shall fall under Annexure II.