

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

### **J.B. CHEMICALS & PHARMACEUTICALS LIMITED**

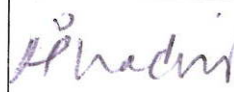

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## 1. Version control

Date	Policy number	Reason(s) for change
03-02-2016	1	Policy framed in accordance with the requirement of Regulation 30 of the Listing Regulations and was effective from December 1, 2015.
14-07-2023	-	Amendment in the Listing Regulations providing quantitative and qualitative materiality thresholds

## 2. Approval matrix:

		Approval date:	
Prepared by:	Name		Date and signature
Secretarial Department	Sandeep Phadnis	09-08-2023	
Authorised by:	Name		Date and signature
Audit Committee and Board of Directors	Nikhil Chopra	09-08-2023	



This policy is effective from July 14, 2023.

## 1. PREAMBLE & BACKGROUND

- Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in general deals with disclosure of material events or information to the Stock Exchanges.
- As per Regulation 30(2) of the Listing Regulations, events specified in Para A of Part A of Schedule III to the Listing Regulations are deemed material and requires disclosure to the Stock Exchanges without application of any criteria of materiality.
- Regulation 30(3) of the Listing Regulations requires disclosure of the events specified in Para B of Part A of Schedule III to the Listing Regulations based on application of the guidelines for materiality as specified in sub-regulation (4) of Regulation 30 of the Listing Regulations.
- Regulation 30(4)(ii) requires the company to frame a policy for determination of materiality based on the guidelines specified in Regulation 30(4)(i) for the purpose of disclosure of events specified in Para B of Part A of Schedule III to

the Listing Regulations. Further, Regulation 30(4)(ii) also requires that the policy so framed does not dilute any of the requirements specified under the Listing Regulations. The said regulations also require that the said policy will be used by the employees of a listed entity to identify potentially material events or information and report the same to such Key Managerial Personnel for determination of materiality.

- e. Regulation 30(5) of the Listing Regulations requires the Board of directors of the company to authorize one or more Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the stock Exchanges under Regulation 30 of the Listing Regulations. Regulations 30(4)(ii) also require that the said policy will be used by the employees of a listed entity to identify potentially material events or information and report the same to such Key Managerial Personnel for determination of materiality.
- f. Accordingly, this policy for determination of materiality of events or information ("the / this "Policy") is adopted by the Board of directors of the company with the aim to provide guidelines to the relevant employees of J. B. Chemicals & Pharmaceuticals Limited ("the Company") to determine materiality of events or information and ensure timely and appropriate disclosure of the events or information specified in Para B of Part A of Schedule III to the Listing Regulations.
- g. In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023, notified on June 14, 2023, certain further thresholds have been provided for the determination of materiality for making disclosures to the Stock Exchanges, as well as further specific events/circumstances have been set out which requires such application of such thresholds to determine whether disclosure is required. Accordingly, this Policy is amended for incorporating the revised thresholds.
- h. This Policy supersedes the earlier Policy approved by the Board on February 3, 2016.

## **2. SCOPE OF THE POLICY**

The materiality threshold specified in this Policy will be applicable for determination of materiality of events or information as specified in Para B of Part A of Schedule III to the Listing Regulations from time to time. This Policy is in addition to, and not in derogation of the company's code of practices and procedures for fair disclosure of unpublished price sensitive information, as well as the provisions of Regulation 30 of the Listing Regulations.





### **3. MATERIALITY ASSESSMENT AND THRESHOLD**

Materiality must be determined on a case-to-case basis depending on specific facts and circumstances involved in an event or information, basis the following criteria:

(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 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;

(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.

(e) As, when and in whichever form the requirements in terms of Regulation 30(11) of the Listing Regulations are attracted by the Company, the criteria mentioned in this Policy, as also those contained in Regulation 30 of the Listing Regulations, will be applicable for determining the materiality of events or information which is reported in the mainstream media, and such report is not general in nature, and it indicates that rumors of such impending specific material event or information are circulating amongst the investing public.

(f) Such other criteria / threshold as may be specified by SEBI from time to time.

### **4. OTHER DISCLOSURES:**

In respect of disclosure of any other event or information (viz. other than that specified in Para A and Para B of Part A of the said Schedule III), events or information specified in Para C of Part A of the said Schedule III and events or information with respect to subsidiaries of the company, the key managerial personnel may be guided by criteria of materiality specified in this Policy. The overriding principle is the investors should not be put to any disadvantage.

### **5. TIMELINE FOR MAKING DISCLOSURES:**

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of the Listing Regulations as soon as reasonably possible



and in any case not later than the timelines as set out in the Regulations and as may be specified by SEBI from time to time.

#### **6. AUTHORITY TO KEY MANAGERIAL PERSONNEL:**

The following Key Managerial Personnel are authorized to determine materiality of an event or information and for the purpose of making disclosures to Stock Exchanges under Regulation 30 of the Listing Regulations.

- (1) Managing Director/Whole-time Director/Chief Executive Officer
- (2) Chief Financial Officer; and
- (3) Company Secretary

Any two of the above Key Managerial Personnel shall jointly determine materiality of an event or information and the company secretary shall disclose the same to the Stock Exchanges.

The contact details of the aforementioned Key Managerial Personnel, so authorized, will be disclosed to the Stock Exchanges and will be placed on the website of the Company.

#### **7. DISCLOSURE ON WEBSITE:**

This Policy as amended from time to time shall be hosted on the Company's website. The material event or information disclosed to the Stock Exchanges shall also be hosted on the Company's website for such minimum period as may be specified in the Listing Regulations, and thereafter as per archival policy of the company.

#### **8. POLICY VALIDATION AND REVIEW**

This Policy shall be reviewed by the Board of Directors as and when it deems fit or any changes in the Policy becomes necessary due to changes in the Listing Regulations. The Board of Directors reserves its right to amend or modify this Policy in whole or in part, at any time, without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Listing Regulations or any other applicable law.

Date: August 9, 2023

