



HP ADHESIVES LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

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DISCLOSURE OF MATERIAL EVENTS / INFORMATION

1. Introduction

As per Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a listed entity is required to frame a policy for determination of materiality of events or information which are required to be disclosed to the Stock Exchanges.

2. Purpose

This Policy aims to determine the materiality of events and information and to ensure that the Listed entity shall disclose events / transaction / information specified in Para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

3. Authority

This Policy is approved by the Board of Directors of the Company through Resolution by Circulation on July 12, 2023. The erstwhile policy was approved at the Board Meeting held on July 07, 2021. The Policy shall also be displayed on the website of the Company.

4. Criteria for determination of materiality of event or information under the Listing Regulations

The Listing Regulations lay down the following criteria for determining the materiality of an 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;
- (b) the omission of an event or information, which is likely to result in a 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; and

(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 listed entity, the event or information is considered material.

5. Timeline of Disclosure of Material Event/ Information

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:

- (a) 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;
- (b) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- (c) 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; and
- (d) the disclosure with respect to events or information for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

6. Authorisation for determination of materiality of event or transaction or information

The MD or CFO (hereinafter severally referred to as “Authorised Officer”), shall be responsible to determine the materiality of an event/ information for the purpose of the Policy and disclose the same to the Stock Exchanges.

The Company will publicly release all information disclosed to the Stock Exchanges under this Policy, by placing it on its website for a minimum period of five years and thereafter as per the Archival Policy of the Company, as disclosed on website.

7. Review & Amendment

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The board has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

Effective Date: 07th July, 2021

Amended Date: 12th July, 2023