

POLICY FOR DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION

1. PREFACE

Pursuant to Regulation 30(4)(ii) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Board of Directors (“the Board”) of EL Forge Limited (“the Company”) has adopted this Policy at its meeting held on 13th February 2016 for determination of materiality of events or information for disclosure to the Stock Exchanges under the Listing Regulations, which is reviewed/amended periodically.

2. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

- A. The Company shall consider the following criteria as specified in clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations 2015 for determination of materiality of events 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 the 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:
 - I. two percent of turnover, as per the last audited financial statements of the Company;
 - II. two percent of net worth, as per the last audited financial statements of the Company, except in case the arithmetic value of the net worth is negative; and
 - III. five percent of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of the Company.
- B. In case where the criteria specified in sub-clauses (a), (b) and (c) above is not applicable, any event or information which in the opinion of the Board is considered as material should be treated as material event or information.

3. GUIDELINES FOR DETERMINING MATERIALITY

- A. Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to events or information. In order to determine whether a particular event or information is material in nature, ‘quantitative’ criteria will be applied.
- B. Events or information that are to be disclosed on application of materiality criteria as specified in Para B of Part A of Schedule III to Listing Regulations shall be deemed to be material if the value of such information/event or the expected value of the impact thereof exceeds the threshold limit specified in Para 2(A)(c) above.
- C. In cases where the quantitative criteria are not applicable or cannot be applied, materiality will be determined based on the criteria specified in Para 2(A)(a) and (b) above.

- D. Events or information which are considered material in the opinion of the Board of Directors of the Company.
- E. Notwithstanding the above, all the events or information specified in Para A of Part A of Schedule III to the Listing Regulations shall be deemed to be material events or information and will have to be disclosed without application of materiality criteria upon occurrence of the same.

4. TIMELINE FOR DISCLOSURE

The Company shall disclose to the Stock Exchanges all events or information which are material in terms of the provisions of Listing Regulations 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 is taken.

Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- B. Twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company.
- C. Twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

Provided that if all the relevant information, in respect of claims which are made against the listed entity under any litigation or dispute, other than tax litigation or dispute, in terms of sub- paragraph 8 of para of paragraph B of Part A of schedule III, is maintained in the structured digital database of listed entity in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity.

- D. Where timelines have been specified in Part A of Schedule III to Listing Regulations, disclosures shall be made within such timelines.

In case the disclosure is made after the timeline specified above, the Company shall provide explanation for the delay along with the disclosure.

5. AUTHORISATION TO KEY MANAGERIAL PERSONNEL FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION

In terms of Regulation 30(5) of the Listing Regulations, the Board of Directors of the Company severally authorises Mr.K.V.Ramachandran, Vice Chairman and Managing Director, for the purpose of determining materiality of an event or information and the appropriate period/stage for disclosures to be made, based on the guidelines of this policy. Mrs.R.Sowmithri , Company Secretary (Compliance Officer), and in her absence, Mrs.Sujeetha Govindarajan CFO

have been authorised for the purpose of making disclosures to the Stock Exchanges and on the website of the Company based on the decision of the Chairman & Managing Director and / or the Managing Director.

6. GUIDELINE FOR ASSISTING IN IDENTIFYING AND DETERMINING ANY POTENTIAL MATERIAL EVENT OR INFORMATION

Materiality must be determined on a case-to-case basis depending on specific facts and circumstances relating to the information or event. The criteria mentioned under Para 2 above will be applicable for determining the materiality of event or information.

In case any employee of the Company gets knowledge of an event or information which may be considered material in nature, such employee shall notify the same either directly or through his senior to whom he is reporting to the President (Finance and Operations) or the Company Secretary. The said KMPs shall report the same to the authorised Directors, viz. Chairman and Managing Director and/or Managing Director for determining the materiality and to facilitate prompt disclosure to the Stock Exchanges.

No media/public announcement/publication shall be made by or on behalf of the Company relating to any material event or information by any employee of the Company unless the same is approved by the Chairman and Managing Director or the Managing Director of the Company.

7. EFFECTIVE DATE

This amended Policy as approved by the Board on 7th February 2025 shall come into force with immediate effect.

8. AMENDMENT

Any amendment/modification in the Listing Regulations and/or other applicable laws in this regard shall become applicable to this Policy and this Policy shall be deemed to have been amended accordingly.

The Board of Directors shall have the right to withdraw, substitute and/or amend this Policy at any time as it may deem necessary and appropriate. The decision of the Board in this respect shall be final and binding.