

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

1. BACKGROUND

The Policy is framed in accordance with the requirements of the Regulation 30 Clause 4 (ii) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

2. DEFINITIONS

In this Policy, unless the context otherwise requires:

- a. "Board of Directors" shall mean the Board of Directors of Panchmahal Steel Limited.
- b. "Chief Financial Officer" shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognized stock exchange(s) in its filing under the SEBI Listing Regulations;
- c. "Key Managerial Personnel" or "KMP" means Whole-time Director, Chief Executive Officer, Chief Financial Officer, and the Company Secretary of Panchmahal Steel Limited.
- d. "Promoter" and "Promoter Group" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of Regulation 2(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

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

3. OBJECTIVE OF THE POLICY

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 SEBI Listing Regulations, various Securities Laws and any other legislations, as applicable.
- b. To ensure that the information disclosed by the Company is adequate, accurate, 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.

4. AUTHORISED PERSONS

As per Regulation 30 Clause 5 of the Listing Regulations, the Company's Key Managerial Personnel shall jointly and/ or severally determine materiality of information/ events and dissemination of the same to stock exchange(s) under the regulation from time to time.

The Company Secretary will be the custodian of the disclosure process. The contact details of the Company Secretary are: - Mr. Deepak Nagar, E-mail:- shares@panchmahalsteel.co.in and Telephone:- 0265 2317777.

The Senior Management Personnel and such other persons, as determined by the aforesaid authorized persons shall be relevant employees for the purpose of this policy, to identify potential event or information pertaining to their functional roles and report the same to the aforesaid Authorized Persons.

5. GUIDELINES FOR ASSESSING MATERIALITY

Materiality will be determined on a case-to-case basis depending on the facts and the circumstances pertaining to the event or information.

The Company shall consider the following criteria determination of materiality of events/information:

- a. the omission of an event or information, which is likely to result in:
 - i. a discontinuity or alteration of event or information already available publicly; or
 - ii. significant market reaction if the said omission came to light at a later date;
- b. 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 consolidated financial statements of the listed entity;
 - ii. 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;
 - iii. 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;

Accordingly, any transactions exceeding the lower of i, ii or iii above, with an annual impact in value, will be considered for the above purposes.

- c. In the opinion of the Board of Directors of the Company, the event/information is considered material and ought to be disclosed.

6. DISCLOSURE OF EVENTS OR INFORMATION / TYPE OF INFORMATION

The information covered by this Policy shall include “information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions” (hereinafter referred to as “material information”) that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed without any application of the guidelines for materiality.

Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed based on application of materiality criteria.

7. OBLIGATIONS OF INTERNAL STAKEHOLDERS AND KMP(S) FOR DISCLOSURE

- a. Any event or information, including the information specified in Para A and Para B of Part A of Schedule III of the SEBI Listing Regulations shall be forthwith informed to the KMP(s) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- b. The KMP(s) will then ascertain the materiality of such event(s) or information based on the above guidelines.
- c. On completion of the assessment, the KMP(s) shall, if required, make appropriate disclosure(s) to the stock exchanges.

8. GUIDANCE ON TIMING OF DISCLOSURE

The Company shall disclose to the stock exchange(s) all events or information which are material in terms of the provisions of Regulation 30 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 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.

Disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such specified timelines and in case the disclosure is made after the specified timelines the Company shall provide an explanation for the delay along with the disclosure.

9. POLICY REVIEW

The KMP(s) 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.

10. LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Listing Agreement or Companies Act, 2013 or Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement or Companies Act, 2013 or Regulations or other statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

11. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.

Amended on August 14, 2023