

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

### **1. Legal Framework**

This Policy for Determination of Materiality of Events or Information (the "Policy") is aimed at providing guidelines to the Management of Palco Metals Limited (the "Company"), to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the stock exchanges.

This Policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India ("SEBI"), under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with respect to disclosure of events and information.

Pu rsuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors of the Company in its meeting held on 27<sup>th</sup> May, 2016 approved the "Policy for Determination of Materiality of Events or Information". The Board shall review, and if found required, may amend this Policy from time to time.

This Policy will be applicable to the Company effective 27th May, 2016.

### **2. Objective**

The objective of this Policy is to serve as a guiding charter to the Management to ensure timely and adequate disclosure of events or information are made to the investor community by the Company under the Listing Regulations, to enable them to take well informed investment decisions with regard to the securities of the Company.

### **3. Applicability**

Information relating to material events and which is price sensitive in nature, shall be promptly disseminated to the Stock Exchanges. For this purpose, material event means any information which relates to the Company and which, if published is likely to materially affect the price of shares of the Company.

i. The Company shall make disclosure of events specified in Para A of Part A of Schedule III of the Listing Regulations as may be amended from time to time, without applying any test of materiality to the stock exchanges within specified timelines.

ii. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations, as may be amended from time to time, based on application of the criteria for determination materiality as specified in para 4

iii. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new 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 Company which may be necessary to enable the shareholders of the Company to appraise its position and to avoid the establishment of a false market in such securities, would be disclosed as advised by the Board from time to time.

iv. The Company shall make disclosures of any events or information which, in the opinion of the Board of Directors, is material. In case where an event occurs or information is available with the company, which has not been indicated in sub para i, ii and iii above, but which may have material effect on it, the Company would make adequate disclosures in regard thereof.

#### **4. Criteria for determination of materiality of events / information**

The Company shall consider the following criteria for determination of materiality of event / information as stated in sub-para ii and iii above:-

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;

c) in case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of listed entity, the event / information is considered material.

Without prejudice to the generality of A, B and C above, the Company may make disclosures of event/information as specified by the Board from time to time.

#### **5. Disclosure of material events / information**

The Company shall disclose to the stock exchanges of all events, specified in Para A of Part A of Schedule III or information as soon as reasonably possible and not later than 24 hours from the occurrence of the event/information. In the event the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures provide an explanation for such delay.

The disclosure with respect to events specified in sub - para 4 of Para A of Part A of Schedule III shall be made within thirty minutes of the conclusion of the board meeting.

The Company shall make disclosures updating the material developments pertaining to material events on a regular basis, till such time the event is resolved/closed, and to be disclosed to the stock exchanges with relevant explanations.

The Company shall also disclose all events or information with respect to subsidiaries which are material, if any, for the Company.

#### **6. Authorization for disclosures**

The Whole Time Director is authorized to determine materiality of an event/information and Company Secretary and Whole Time Director is authorized to make disclosures to stock exchanges. The contact details of the Company Secretary have been disclosed on Company's website.

#### **7. Disclosure on the website of the Company**

All such events or information which has been disclosed to stock exchanges under the Listing Regulations shall be made available on the Company's website. Such events or information shall be placed on the website of the Company for a minimum period of five years. The Policy and the contact details of the persons authorized by the Board shall be available on the website of the Company.

#### **Amendment**

The Board of Directors of the Company reserves the right to amend or modify this Policy in whole or in part, as may be required, at any point of time.