

DECCAN GOLD MINES LIMITED (DGML)

Policy for Determining Material Information

Adopted by the Board of Directors

effective from December 01, 2015

BACKGROUND

The Securities and Exchange Board of India (“SEBI”) has issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as **SEBI LODR**) which became effective from December 01, 2015. The above regulations stipulate that all listed entities shall formulate a Policy for Determining Material Information. In this context, the **Policy for Determining Material Information** is being framed and implemented with effective from December 01, 2015.

OBJECTIVE

The Policy applies with respect to the disclosure of Material events/Information occurring/arising within DGML and its wholly-owned subsidiary. This policy is in addition to, and does not derogate from DGML’s Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which deals with dissemination of Unpublished Price Sensitive Information.

DEFINITIONS

- **Associate**” shall mean any entity which is an associate under sub-section (6) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:
- **Key Managerial Personnel** means Key Managerial Personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.
- **Promoter and Promoter Group** shall have the same meaning as assigned to them respectively in Clauses (oo) and (pp) of Sub-Regulation (1) of Regulation 2 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
- **Related Party** means a related party as defined under sub-section (76) of Section 2 of the Companies Act, 2013 or under the applicable Accounting Standards:

Provided that:

(a) any person or entity forming a part of the promoter or promoter group of the listed entity;
or

(b) any person or any entity, holding equity shares:

(i) of twenty per cent or more; or

(ii) of ten per cent or more, with effect from April 1, 2023;

in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year;

shall be deemed to be a related party:

- **Related Party Transaction** means a transaction involving a transfer of resources, services or obligations between:
 - (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
 - (ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023;

regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract:

- **Subsidiary** means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013
- **Holding company** means a holding company as defined in sub-section (46) of section 2 of the Companies Act, 2013;

AUTHORISED PERSONS

The Company Secretary will be the custodian of the disclosure process. In the & event of absence of the Company Secretary on account of vacancy, leave, vacancy due to temporary inaccessibility for any reason, his powers and functions shall be undertaken by any Key Managerial Personnel, as determined by the Managing Director from time to time.

The Company's Managing Director shall have the authority to determine the Materiality and Disclosure with respect to the information about the Company covered under this Policy. The Managing Director shall have the authority to interpret and enforce this Policy in consultation with the Compliance Officer / Company Secretary. All questions regarding this Policy shall be directed to the Compliance Officer. The Managing Director must pre-approve any deviation from the policies and procedures outlined in this Policy.

MATERIALITY ASSESSMENT

Any Information whether positive or negative shall be regarded as "**Material**" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell, or hold a security or where in the fact is likely to have a significant effect on the market price of the security.

Materiality shall be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. The primary approach for determining materiality will be quantitative or qualitative.

The information listed as per **Schedule III, Part-A of SEBI LODR** as amended from time to time and appended below shall be disclosed to the Stock Exchanges

PARA A- MANDATORY DISCLOSURES

Events which shall be disclosed without any application of the guidelines for the materiality as specified in sub-regulation (4) of Regulation 30 of SEBI LODR:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.

Explanation (1) For the purpose of this sub-para, the word 'acquisition' shall mean,:-

- (i) acquiring control, whether directly or indirectly; or,
- (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –

(a) the listed entity holds shares or voting rights aggregating to twenty per cent (20%) or more of the shares or voting rights in the said company; or

(b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds Five per cent (5%) of the total shareholding or voting rights in the said company.

(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30

Provided that acquisition of shares or voting rights aggregating to five percent or more of the shares or voting rights in an unlisted company and any change in holding from the last disclosure made under this proviso exceeding two per cent of the total shareholding or voting rights in the said unlisted company shall be disclosed on a quarterly basis in the format as may be specified

Explanation (2) - For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-

(i) an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or

(ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (3)- For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013

2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. New Rating (s) Revision in Rating(s)
4. Outcome of Meetings of the Board of Directors: The listed entity shall disclose to the Exchange(s), the outcome of meetings of the board of directors held to consider the following:
 - a) Dividends recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - b) Any cancellation of dividend with reasons thereof;

c) The decision on buyback of securities;

d) The decision with respect to fund raising proposed to be undertaken

including by way of issue of securities (excluding security receipts, securitized debt instruments or money market instruments regulated by the Reserve Bank of India), through further public offer, rights issue, American Depositary Receipts/ Global Depositary Receipts/ Foreign Currency Convertible Bonds, qualified institutions placement, debt issue, preferential issue or any other method

e) Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/ dispatched;

f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;

g) Short particulars of any other alterations of capital, including calls;

h) Financial results;

i) Decision on voluntary delisting by the listed entity from stock exchange(s).

5. Agreements Shareholder Agreement(s), Joint Venture Agreement(s), Family Settlement Agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
6. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:

Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

7. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad:

For the purpose of this sub-paragraph:

(i) 'Fraud' shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

(ii) 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity

Explanation 3 – Fraud by senior management, other than who is promoter, director or key managerial personnel, shall be required to be disclosed only if it is in relation to the listed entity

8. Change in directors, key managerial personnel Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.
9. In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
10. Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
 - i. The letter of resignation along with detailed reasons for the resignation as given by the said director.
 - ii. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
 - iii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iv. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii) above.
11. In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.
12. In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty-five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
13. Appointment or discontinuation of share transfer agent.

14. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
- (i) Decision to initiate resolution of loans/borrowings;
 - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of Resolution Plan;
 - (iv) Implementation of Resolution Plan;
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
15. One time settlement with a bank.
16. Winding-up petition filed by any party / creditors.
17. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity. Proceedings of Annual and extraordinary general meetings of the listed entity.
18. Proceedings of Annual and extraordinary general meetings of the listed entity
19. Amendments to Memorandum and Articles of Association of listed entity, in brief.
20. (a) (i) Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet)
- (ii) Presentations prepared by the listed entity for analysts or institutional investors meet, post earnings or quarterly calls shall be disclosed to the recognized stock exchanges prior to beginning of such events.
Explanation I : For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.
Explanation II: Disclosure of names in the schedule of analysts or institutional investors meet shall be optional for the listed entity.
- (b) Audio recordings, video recordings, if any, and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means, in the following manner:
- (i) The audio recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
 - (ii) the video recordings, if any, shall be made available on the website within forty-eight hours from the conclusion of such calls;
 - (iii) the transcripts of such calls shall be made available on the website along with simultaneous submission to recognized stock exchanges within five working days of the conclusion of such calls.
21. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
 - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

- e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - f) Appointment/ Replacement of the Resolution Professional;
 - g) Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - i) Number of resolution plans received by Resolution Professional;
 - j) Filing of resolution plan with the Tribunal;
 - k) Approval of resolution plan by the Tribunal or rejection, if applicable;
 - l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - Pre and Post net-worth of the company
 - Details of assets of the company post CIRP;
 - Details of securities continuing to be imposed on the companies' assets;
 - Other material liabilities imposed on the company;
 - Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - Details of funds infused in the company, creditors paid-off;
 - Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - Impact on the investor – revised P/E, RONW ratios etc.;
 - Names of the new promoters, key managerial personnel, if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
 - Brief description of business strategy.
 - m) Any other material information not involving commercial secrets.
 - n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
 - o) Quarterly disclosure of the status of achieving the MPS;
 - p) The details as to the delisting plans, if any approved in the resolution plan.
22. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:
- a. The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
 - b. Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.

Explanation – For the purpose of this sub-paragraph, forensic audit refers to the audits, by whatever name called, which are initiated with the objective of detecting any mis-statement in financial statements, mis-appropriation, siphoning or diversion of funds and does not include audit of matters such as product quality control practices, manufacturing practices, recruitment practices, supply chain process including procurement or other similar matters that would not require any revision to the financial statements disclosed by the listed entity.

23. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.

Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

24. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- a. search or seizure; or
- b. re-opening of accounts under section 130 of the Companies Act, 2013; or
- c. investigation under the provisions of Chapter XIV of the Companies Act, 2013;

along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- name of the authority;
- nature and details of the action(s) taken, initiated or order(s) passed
- date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- details of the violation(s)/contravention(s) committed or alleged to be committed;
- impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

25. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

- a. suspension;
- b. imposition of fine or penalty;
- c. settlement of proceedings;
- d. debarment;
- e. disqualification;
- f. closure of operations;
- g. sanctions imposed;
- h. warning or caution; or
- i. any other similar action(s) by whatever name called;

along with the following details pertaining to the actions(s) taken or orders passed:

- name of the authority;
- nature and details of the action(s) taken or order(s) passed;
- date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- details of the violation(s)/contravention(s) committed or alleged to be committed;
- impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

Explanation – Imposition of fine or penalty shall be disclosed in the following manner along with the details pertaining to the action(s) taken or orders passed as mentioned in the sub-paragraph:

- i. disclosure of fine or penalty of rupees one lakh or more imposed by sectoral regulator or enforcement agency and fine or penalty of rupees ten lakhs or more imposed by other authority or judicial body shall be disclosed within twenty four hours.
- ii. disclosure of fine or penalty imposed which are lower than the monetary thresholds specified in the clause (i) above on a quarterly basis in the format as may be specified.

26. Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013

PARA B- NON - MANDATORY DISCLOSURES

Events which shall be disclosed upon application of the guidelines for Materiality referred in sub-regulation (4) of regulation (30) of SEBI LODR:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the listed entity:
 - a. arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - b. adoption of new line(s) of business; or
 - c. closure of operation of any unit, division or subsidiary (in entirety or in piecemeal)
3. Capacity addition or product launch.
4. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity
9. Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety , by whatever named called, for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

PARA C - ANY OTHER INFORMATION/EVENT

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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

PARA D - WITHOUT PREJUDICE TO THE GENERALITY OF PARA A, B AND C ABOVE, THE LISTED ENTITY MAY MAKE DISCLOSURES OF EVENT/INFORMATION AS SPECIFIED BY THE BOARD FROM TIME TO TIME.

For the purpose of assessing whether a particular transaction or the amounts involved in that transaction are "**Material**" the information including but not limited to the following will also be considered:

1. The consideration involved in the transaction as a percentage of Company's annual revenue;
2. Consideration involved in the transaction as a percentage of Company's fixed assets and as a percentage of Company's total assets;
3. Whether the transaction is in the Ordinary course of business;
4. Whether a Related party is involved in the transaction;
5. Whether the transaction represents a significant shift in Company's strategy; and
6. Whether the transaction is an exit or entry to a significant line of business.

For the purpose of determining "**Materiality**" of an event/information, the Company relies upon **SEBI LODR** as amended from time to time.

The Compliance Officer shall be responsible for reporting the events/information material to the Company.

Any amendment to this Policy shall be approved by the Board.

Contact Details of Key Managerial Personnel of the Company authorised for the Purpose of Determining Materiality of an Event or information and for the purpose of making disclosure to Stock Exchange(s)

Sr. No	Name	Designation	Contact Details
1	Mr. Subramaniam Sundaram	Company Secretary & Compliance Officer	+918047762904 subbu@deccangoldmines.com