



## POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION

As per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as SEBI Listing Regulations), Gulf Oil Lubricants India Limited ("the Company") is required to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, based on the criteria specified in Reg. 30 of SEBI Listing Regulations.

The terms and expressions used but not defined herein shall have the same meaning as assigned to those terms under the SEBI Listing Regulations, the Companies Act, 2013 ("the Act"), the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the SEBI Listing Regulations without any application of the guidelines for materiality as specified in sub-regulation (2) of Reg. 30 of the SEBI Listing Regulations.

The Company shall disclose all such material events, specified in Para B of Part A of Schedule III of the SEBI Listing Regulations subject to application of guidelines for materiality, as specified below:

This Policy applies to disclosure of events or information which are material to the Company and does not dilute any requirement specified under the provisions of the Listing Regulations.

### Applicability of the policy Guidelines

In terms of Regulation 30 of the Listing Regulations (as amended from time to time), the events requiring disclosure by the Company, are provided as under:

- a. Events specified in Para A of Part A of Schedule III of the Listing Regulations and shall be deemed to be material and the Company is required to make disclosure of the same, as applicable from time-to-time. List of such events is attached as **Annexure 1** to this Policy.
- b. Events specified in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed by the Company based on the guidelines determining materiality of events or information as below. List of such events is attached as **Annexure 2** to this Policy.

### Guidelines for determining materiality of events or information

Materiality criteria shall have to be determined on a case-to-case basis depending on specific facts and circumstances relating to the event/information mentioned in **Annexure 2** (Para B of Part A of Schedule III of Listing Regulations). In order to enable determining whether a particular event/information is material in nature, the determining authority shall consider the following criteria in accordance with the Listing Regulations as amended from time to time:

- a) Where the omission of an event/ information, is likely to result in:
  - i) discontinuity or alteration of event/ information already available publicly; or
  - ii) a significant market reaction if the said omission came to light at a later date.



b) Where the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the threshold mentioned herein below.

In case where the criteria specified in sub-clauses a) and b) 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.

## **Materiality Thresholds**

An event/information specified in the **Annexure 2** to the Policy would be considered material 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 Company;
- ii) two percent of net worth, as per the last audited consolidated financial statements of the Company, 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 Company.

Explanation: : Absolute value of profit or loss after tax' means absolute figures of profit/loss. The threshold with respect to profit/loss is to be computed by taking the absolute values of profit or loss after tax for the immediately preceding three audited consolidated financial statements of the Company. The averaging does not mean netting-off in this case where profits of Company in one year gets reduced due to the losses in other financial years, rather, the values are required to be taken on an absolute basis.

## **Disclosure Process**

The Board of Directors of the Company has authorized Chief Financial Officer of the Company for the purpose of determining materiality of an event or information.

The Managing Director & CEO, Chief Financial Officer, Company Secretary are severally authorised to make the disclosure of material event/information to the Stock Exchanges. Subsequent to the disclosure to the Stock exchanges, material event/information should be hosted on the website of the Company for a minimum period of five years and thereafter as per the Archival Policy of the Company.

## **Assistance to Relevant Employees**

Relevant employees shall be guided by this Policy in identifying any potential material event/information, that comes to their knowledge and the same shall be reported to the Managing Director & CEO, Chief Financial Officer, and Company Secretary for making necessary disclosures to the Stock Exchange(s).

## **Disclosure Timelines**

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of the SEBI Listing Regulations as soon as reasonably possible and in any case not later than the following:

- i) 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;
- ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.

In case in-principle approval or approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under regulation 30 of the LODR Regulations.

The events/information can be said to have occurred when a listed entity becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

In case the Company discloses any event or information after the timelines specified under the Listing Regulations, it shall, along with such disclosure provide the explanation for the delay.

### **Modification of the Policy**

In the event of any conflict between the provisions of this Policy and the Act or SEBI Listing Regulations or any other statutory enactments or rules, the provisions of SEBI Listing Regulations / Act or 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. This policy may be amended by the Board as and when required from time to time.

### **Dissemination of Policy**

This Policy shall be hosted on the intra-net and website of the Company.

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Last Amended – August 03, 2023



**Mandatory Disclosure:**

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-paragraph, the word 'acquisition' shall mean-


- (i) acquiring control, whether directly or indirectly; or
- (ii) acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
  - (a) the listed entity holds shares or voting rights aggregating to five per cent 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-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or
  - (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 of the SEBI Listing Regulations.

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 of SEBI Listing Regulations.

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) or Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
  - a) dividends and/or cash bonuses 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

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- 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):

Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.

- 5. Agreements (viz. 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.

- 5A. 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 the SEBI Listing Regulations.

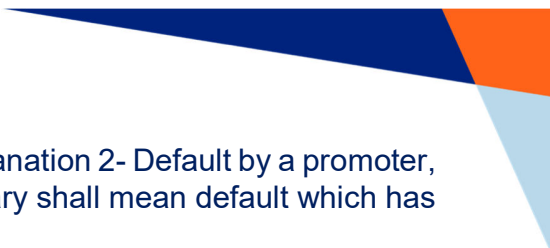
Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

- 6. 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.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Senior management, Auditor and Compliance Officer.
  - 7A. 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.
  - 7B. Resignation of Independent Director including reasons for resignation. The disclosures specified under SEBI Listing regulations to be made to stock exchanges within seven days from the date of resignation.
  - 7C. 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.
  - 7D. 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).
8. Appointment or discontinuation of share transfer agent.
9. Corporate Debt Resolution/ Restructuring Plan along with specified details.
10. One time settlement with a bank.
11. Winding-up petition filed by any party / creditors.
12. 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.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. (a) 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 and presentations made by the listed entity to analysts or institutional investors.).  
(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

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- (i) the presentation and the audio/video 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 transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:
16. Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor, as specified under the SEBI Listing regulations.
17. 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.
18. 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 SEBI Listing 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.

19. 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;
  - (d) along with the following details pertaining to the actions(s) initiated, taken or orders passed:
    - i. name of the authority;
    - ii. nature and details of the action(s) taken, initiated or order(s) passed;
    - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
    - iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
    - v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.
20. 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;

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

21. 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.



**Events which shall be disclosed upon application of materiality thresholds as set out above:**

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. Frauds or defaults by employees of the listed entity which has or may have an impact on the 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.



Note:

With respect to the above events where the expected impact is to be analysed, the same is to be determined based on the expected impact in terms of value on the profits of the Company.

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 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.