



PDS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

(Approved in the Board Meeting held on November 11, 2015, and made effective from December 1, 2015 and amended on July 26, 2023 and January 28, 2025.)

1. LEGAL FRAMEWORK

This Policy for Determination of Materiality of Events or Information is aimed at providing guidelines to the management of PDS Limited, to determine the materiality of events or information, which could affect investment decisions and ensure timely and adequate dissemination of information to the Stock Exchange(s) (as hereinafter defined).

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

Pursuant to the SEBI Listing Regulations issued on September 2, 2015, the Board of Directors 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.

2. OBJECTIVE

The objective of this Policy is to serve as a guiding charter to the management to ensure that timely and adequate disclosure of events or information are made to the investor community by the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to enable them to take well informed investment decisions with regard to the securities of the Company.

3. DEFINITION

- a. "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- b. "Board" means the Board of Directors of the Company.
- c. "Company" means PDS Limited.
- d. "Key Managerial Personnel" means key managerial personnel as defined under sub-section (51) of Section 2 of the Companies Act, 2013.
- e. "Policy" means this Policy, as amended from time to time.
- f. "SEBI" means the Securities and Exchange Board of India.
- g. "Rules" means the rules made under the Companies Act, 2013.
- h. "Stock Exchange(s)" means BSE Limited and the National Stock Exchange of India Limited, where the Equity Shares of the Company are listed.

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.

4. 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 B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed based on application of materiality criteria.

5. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations (as applicable from time to time) without any application of the guidelines for materiality.

6. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

The Company shall disclose all such material events pertaining to itself or its subsidiary(ies), specified in Para B of Part A of Schedule III of the SEBI Listing Regulations subject to application of guidelines for materiality.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

Materiality will be determined on a Qualitative Criteria would mean an event/ information:

- a. the omission of an event or information, which is likely to:
 - i. result in discontinuity or alteration of event or information already available publicly; or
 - ii. in significant market reaction if the said omission came to light at a later date;
- b. The 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 Company; or
 - ii. Two percent of net worth, except in case of the arithmetic value of the net worth is negative, as per the last audited consolidated financial statements of the Company;
 - 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

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. any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event / information is considered material.

7. ANY OTHER INFORMATION / EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY

The Company shall disclose major developments that are 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 holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

8. GUIDELINES ON IDENTIFICATION AND REPORTING OF MATERIAL EVENT

The occurrence of material event/information would be either by the Company's own accord or not in the hands of the Company. It can be categorized as under:

- a. depends upon the stage of discussion, negotiation or approval; and
- b. in case of natural calamities, disruptions etc., it would depend upon the timing when the Company became aware of the event/information.

In respect of the events under Serial 8(a) above, the events/information can be said to have occurred upon receipt of approval of Board, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board, pending Shareholder's approval.

In respect of the events under Serial 8(b) above, the events/information can be said to have occurred when the Company 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.

The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

In any of the employee of the Company becomes aware of any material event as per the guidelines specified in this Policy, the employee shall ensure immediately intimating the same to the Key Managerial Personnel identified in clause 9 below.

9. **AUTHORIZE KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE**

The following KMPs are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s) ("Authorized Person(s)"):

- a. Chief Executive Officer.
- b. Chief Financial Officer in consultation with CEO.
- c. Company Secretary in consultation with CEO & CFO.

The materiality of events outlined above are indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Persons should exercise his/her own judgement while assessing the materiality of events associated with the Company. In case the relevant Authorized Person perceives any doubt regarding materiality he/she may consult Chairman before disclosing the information to the Stock Exchange(s).

Details of above KMPs shall be also disclosed to the Stock Exchange(s) and as well as on Company's website.

The authorized persons shall ensure that processes are developed which enables employees to identify and report to the authorized persons any material event.

10. **DISCLOSURE OF EVENTS /INFORMATION**

- a. The disclosures in respect of events and information specified in sub-para 4 of Para A of Part A of Schedule III of SEBI Listing Regulations shall be made within the prescribed time as mentioned in SEBI Listing Regulations.
- b. All other events and information falling under Part A of Schedule III of Listing Regulations apart from those specified in (a) above shall be disclosed to the Stock Exchanges as soon as reasonably possible but 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;
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 Company 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.
 - 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.

Note: Timelines mentioned in (ii) and (iii) above shall be read in conjunction with circulars issued by SEBI from time-to-time in this regard.

The Company shall disclose all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8 of

paragraph B of Part A of Schedule III, is maintained in the structured digital database of the Company 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 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 the disclosure is made after the timelines as mentioned above with the, the Company shall, along with such disclosure provide the explanation for the delay.

Note: Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors.

11. GUIDELINES FOR COMMUNICATION

In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30 of SEBI Listing Regulations, pursuant to the receipt of a communication from any regulatory, statutory,

enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

12. AMENDMENTS AND LIMITATION

This Policy may be reviewed and amended periodically as and when required by the Board to ensure that it meets the objectives of the relevant legislation and needs of the Company and remains effective. The Board has the right to change/ amend the policy as may be expedient taking into account the law for the time being in force. In the event of any amendment(s), clarification(s), circular(s), provision(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then the same shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly.

Further, in the event of any conflict between the provisions of this Policy and the Companies Act, 2013 or any other statutory enactments or rules and SEBI Listing Regulations, the provisions of Companies Act, 2013 or statutory enactments or Rules made thereto, and SEBI Listing Regulations shall prevail over this Policy.

13. EFFECTIVE DATE

The Policy, as approved by the Board of Directors, shall be effective from December 1, 2015, and the amended policy shall be effective from January 28, 2025.

14. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company at www.pdsltd.com.

15. CONTACT DETAILS

Any questions or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary, who is in charge of administering this policy.

PDS Limited
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Maharashtra, India.
