

**POLICY FOR DETERMINATION OF MATERIALITY FOR
"Porwal Auto Components Limited"**

Under Regulation 30(4) of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 regard with the Schedule III of the said Regulations

1. PREAMBLE :

The Board of Directors (Board) of **Porwal Auto Components Limited** (The Company) has adopted the following policy and procedure with regard to determination of Materiality as defined below. The Board will review and may amend this policy from time to time.

2. PURPOSE :

This policy is framed as per requirement of Regulation 30(4) (ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. INTRODUCTION:

News or details that may reasonable be expected to affect a company's stock price and thus decisions that investors make about buying or selling the company's stock. Material events may be addition or loss of large customers, falling or rising sales, a merger agreement, financial results above or below expectations, or a change in the company's dividend policy. In order to enable investors to make well informed investment decisions, timely adequate and accurate disclosure of information on an ongoing basis is essential. There is a need of uniformity in disclosures to ensure compliance in letter and spirit.

4. DEFINITIONS:

- I. **Act:** Means the Companies Act, 2013
- II. **Board of Directors:** Board of Directors of Porwal Auto Components Limited (The Company)
- III. **The Company :** Porwal Auto Components Limited (The Company)
- IV. **LODR Regulations:** Means SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.
- V. **Compliance Officer:** The officer appointed by the Board of Directors of the Company for the purpose of these regulations from time to time.
- VI. **SEBI:** The Securities Exchange board of India.
- VII. **Rules:** Rules made under the Companies Act, 2013.
- VIII. **Regulation:** Regulation made under the SEBI Act.
- IX. **Material Event:** Reasonably be expected to affect company's stock price.
- X. **BSE Limited:** Stock Exchange, where the equity shares of the company are listed.

5. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS, THE COMPANY SHALL MAKE DISCLOSURE OF SUCH EVENTS:

The Company shall disclose all such material events which are specified in Para A of part A of Schedule III of LODR Regulation.

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The following shall be events upon occurrence of which company shall make disclosure to the BSE without any application of the guidelines for materiality as specified in sub - regulation (2) of regulation (30):-

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/merger/demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the Company or any other restructuring.
2. Issuance or forfeiture of securities, split or consolidation of shares, buy back 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. Revision in rating(s)
4. Outcome of meeting of the Board of Directors. The Company shall disclose to the Exchange(s) within 30 minutes of the closure of the Board 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 buy back of securities;
 - d) The decision with respect to fund raising proposed to be undertaken;
 - 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 or 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 company from stock exchange(s).
5. Agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listing 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. Fraud/defaults by promoter or key managerial personnel or by company or arrest of key managerial personnel or promoter.
7. Change in directors, Key managerial personnel(Managing director, Chief Executive Officer, Chief Financial Officer, Company Secretary, etc.), Auditor and Compliance Officer.
8. Appointment or discontinuation of Share Transfer Agent.
9. Corporate debt restructuring.
10. One time settlement with bank.

11. Reference to BIFR and 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 Company.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analyst or institutional investors.

6. EVENTS WHICH ARE DEPEND ON APPLICATION OF GUIDELINES ;THE COMPANY SHALL MAKE DISCLOSURES OF SUCH EVENTS:

The Company shall disclose all such material events specified in para B of part A of Schedule III of the LODR Regulation subject to application of guidelines for materiality.

The Following shall be events upon occurrence of which company shall make disclosure to BSE subject to application of the guidelines for materiality as specified in sub regulation (3) of regulation (30):-

- I. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- II. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie- up ,adoption of new lines of business or closure of operations of nay unit/division (entirety or piecemeal)
- III. Capacity addition or product launch.
- IV. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- V. Agreements (viz. Loan Agreement(s) (as a borrower) 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.
- VI. 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.
- VII. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
- VIII. Litigation(s)/disputes(s)/regulatory action(s) with impact.

- IX. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- X. Options to purchase securities including any ESOP/ESPS Scheme.
- XI. Giving of Guarantees or indemnity or becoming a surety for any third party.
Materiality:
- XII. Granting, withdrawal, Surrender, cancellation or suspension of key licenses or regulatory approvals.

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

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 holders of the securities of the Company to appraise its position and to avoid the establishment of false markets in such securities.

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

The following KMPs is authorized by Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the stock exchange:-

- a. Mr. Shailesh Jain: Chief Financial Officer & Additional Compliance Officer of the Company
- b. Ms. Arwa Saifee: Company Secretary & Compliance Officer of the Company

Details of the above KMP shall also be disclosed to the stock exchange and as well as on Company's website.

9. TIME LIMIT FOR DISCLOSURES OF INFORMATION OR EVENT TO THE STOCK EXCHANGE:

The Company shall disclose to the stock exchange all events, as specified in Part A of Schedule III of LODR Regulation, or information within twenty four hours from the occurrence of event or information.

In case the disclosure is made after twenty four hours of occurrence of the event or information, The Company shall along with such disclosures provide explanations for delay.

Disclosures with respect to events specified in sub para 4 of Para A of Part A of Schedule III of LODR Regulation **shall be made within thirty minutes of the conclusion of the Board meeting.**

10. DISCLOSURES ON COMPANY'S WEBSITE AND DISCLOSURES PRESERVATION PERIOD.

The Company shall disclose on its website all such events or information which has been disclosed to stock exchange under this policy, and such disclosures shall be hosted on the website of the company for a minimum period of five years and thereafter as per the Documents Preservation Policy of the company, as disclosed on its website.

11. REVIEW OF THE POLICY:

The Board of Directors of the Company shall review the policy on annual basis. The authorized person shall provide regular assurance to Board of Directors on the effectiveness of the policy.

For PORWAL AUTO COMPONENTS LIMITED



DEVENDRA JAIN

DIN: 00232920

MANAGING DIRECTOR