

**Policy for Determination of Materiality**  
**of**  
**Eco Recycling Limited**

Last Updated: February 6, 2025

## **Background & Objective**

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015). The Board of Directors of the Company has amended the said Policy at its meeting held on February 12, 2024.

The objective of this Policy is to determine materiality of events or information of the Company and to assist the relevant employees of the Company to identify any potential material event or information and reporting the same immediately to the authorized Key Managerial Personnel, in terms of Regulation 30 (5) of SEBI Listing Regulations, 2015, for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchanges.

## **Criteria for Determination of Materiality of Events/Information**

The Company shall consider the following criteria for determination of materiality of events/information under SEBI Listing Regulations, 2015:

- i. the omission of an event or information:
  - a. which is likely to result in discontinuity or alteration of event or information already available publicly; or
  - b. significant market reaction if the said omission came to light at a later date; or
  - c. 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 financial statements of the listed entity;
    - (ii) two percent of net worth, as per the last audited financial statements of the listed entity, 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 financial statements of the Company.
- ii. In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material, if in the opinion of the Board of Directors of the Company, the event or information is considered material.

In respect of events or information pertaining to subsidiaries, the Disclosure Committee may consider the criteria mentioned in clause 1 above and the indicative guidelines prescribed by the Securities and Exchange Board of India, for determining materiality of such events or information vis-à-vis the Company.

The Board may, from time to time, modify or amend existing Indicative Guidelines or specify new guidelines to ascertain materiality of events/ information in this regard

**Time Frame for Disclosures**

In accordance with the Regulations, disclosures as specified in Part A of Schedule III thereof shall be made to the Stock Exchanges 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 in case the Board Meeting closes during the normal trading hours of that day.
- (ii) Three hours from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken in case the Board Meeting closes after the normal trading hours but more than 3 hours before the beginning of the normal trading hours of the next trading day.
- (iii) Twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity.
- (iv) Twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity

Further, confirmation/ denial/ clarification for market rumour appearing in mainstream media (as per Industry Standards Note on verification of Market Rumours issued by Industry Standards Forum as amended from time to time) in accordance with Regulation 30(11) of SEBI (LODR) Regulations, 2015 shall be filed with the Stock Exchanges as soon as reasonably possible, but not later than 24 hours of Material Price Movement (as per the framework issued by the stock exchanges as amended from time to time) in the scrip price of the Company.

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the delay.

Relevant employees shall be guided by this Policy and Indicative Guidelines in identifying any potential material event/information, which comes to their knowledge and the same shall be reported to the Disclosure Committee for determining the materiality of the said event/information and making necessary disclosures to the Stock Exchange(s).

**Disclosure on Website**

All events or information disclosed to the Stock Exchanges under Regulation 30 of the Regulations shall be hosted on the website of the Company for a minimum period of 8 years.

**Authority to Key Managerial Personnel**

Based upon the determination of materiality by Managing Director, Executive Director, Chief Financial Officer and Company Secretary, the materiality of any event or information shall be disclosed to Stock Exchange by Company Secretary. The contact details of such persons shall be disclosed to stock exchanges and also shall be uploaded on the website of the Company from time to time as required under SEBI Listing Regulations, 2015.

**Amendments**

This Policy may be reviewed by the Board of Directors to incorporate necessary amendments as may be required including to comply with any requirements under any statute or regulation, from time to time.

**Scope and Limitation**

In the event of any conflict between the provisions of this Policy and the Regulations / Companies Act, 2013 or any other statutory enactments, shall prevail over this Policy.