



## **DAVANGERE SUGAR COMPANY LIMITED**

**CIN: L37100KA1970PLC001949**

**Factory Address:** Kuk kuvada, Davangere District. Karnataka – 577 525, Ph: 08192-201789, 201623 To 201629 Fax: 08192-201627

**Registered Address:** 73/1, Post Box No.312, Shamanur Road, Davangere, Shamanur Road, Davangere, Karnataka, India-577004

**Corporate Office Address:** No.19, Shivashankar Plaza, 3<sup>rd</sup> Floor, Richmond Circle, Lalbagh Road Bangalore-560027

### **POLICY FOR DISCLOSURE OF EVENT/ INFORMATION AND DETERMINATION OF THE MATERIALITY**

**Amended on:** 14<sup>TH</sup> MAY,2025

**POLICY FOR DISCLOSURE OF EVENT/ INFORMATION AND  
DETERMINATION OF THE MATERIALITY**

**1. INTRODUCTION: -**

In terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (hereinafter referred to as ‘**SEBI Listing Regulations**’), the Board of Directors of every listed entity shall frame a policy for disclosure of events/information and determination of materiality (“**Policy**”) based on criteria specified in the SEBI Listing Regulations. This Policy will be hosted on the website of the Company. The Board of Directors of Davangere Sugar Company Limited (the “**Company**”), at its meeting held on May 14, 2025, approved this Policy with regard to disclosure of material events or information which are price sensitive and/ or may have bearing on the performance or operation of the Company, thereby necessitating disclosure to the Stock Exchanges where the equity shares of the Company are listed.

This document embodies the policy known as the “Policy for Disclosure of Events/Information and Determining of Materiality”.

SEBI vide Circular No. SEBI/HO/CFD/CFD-PoD-I/CIR/2023/123 dated July 13, 2023 (“**SEBI Disclosure Circular**”), issued a guidance note under regulation 30 read with regulation 101 of SEBI Listing Regulations and amendment thereon to ensure its uniformity on disclosure by Listed entities, to enable the investors to make well-informed investment decisions, timely, adequate and accurate disclosure of information on an ongoing basis.

**2. OBJECTIVES: -**

The Objectives of this Policy are as follows: -

- a. To ascertain the requirement for disclosure of events/information to the Stock Exchanges;
- b. To determine the materiality of events or information of the Company based on criteria specified under Regulation 30 read with Schedule III [Part A – Para A, B, C, D] of the SEBI Listing Regulations and to ensure that such information is adequately disseminated to the Stock Exchange;
- c. To ensure good corporate governance;
- d. To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of the specific event or information;
- e. To protect the confidentiality of Material/Price sensitive information within the context of the Company’s disclosure obligations.

### 3. DEFINITIONS: -

In this Policy, unless the context otherwise requires:

- a. **“Act”** means the Companies Act, 2013 and the rules framed thereunder, as amended from time to time.
- b. **“Board of Directors”** or **“Board”** means the Board of Directors of the Company.
- c. **“Company”** means Davangere Sugar Company Limited.
- d. **“Key Managerial Personnel”** means key managerial personnel as defined under sub-section (51) of section 2 of the Act.
- e. **“Net Worth”** shall have the meaning assigned to it in Section 2(57) of the Act;
- f. **“Policy”** means this policy, as amended from time to time.
- g. **“SEBI”** means the Securities and Exchange Board of India.
- h. **“Rules”** means the rules made under the Act.
- i. **“Stock Exchange(s)”** means BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Company are listed.
- j. **“Turnover”** shall have the meaning assigned to it in Section 2(91) of the Act;

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, SEBI Listing Regulations, Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

### 4. 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 the SEBI Listing Regulations (as applicable and / as amended from time to time) (**“Para A Events”**) without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the SEBI Listing Regulations. Details to be provided to the Stock Exchanges while disclosing Para A Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

## **5. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY:**

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

## **GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:**

1. **Quantitative criteria** would be calculated based on audited consolidated financial statements and would mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:
  - a) 2% (two per cent) of turnover, as per the last audited consolidated financial statements of the Company; or
  - b) 2% (two per cent) 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)); or
  - c) 5% (five percent) of average of absolute value of consolidated profit or loss after tax for last 3 years, as per the last 3 (three) audited consolidated financial statements of the Company.

In terms of the SEBI Disclosure Circular, if the average of absolute value of profit or loss is required to be considered by disregarding the ‘sign’ (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for ‘materiality’ of the event and not for any commercial consideration.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

2. **Qualitative criteria** would mean an event/ information:

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

- 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.

In case where the criteria specified in sub-clauses (1) and (2) is not applicable, an event or information may be treated as being material if the Board of Directors of the Company or any Key Managerial Personnel authorized by Board of Directors to determine materiality of an event or information is of the opinion that, such event or information is considered material.

## **6. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION & ITS TIMELY DISCLOSURE:**

The Company may be confronted with the question as to when an event/information can be said to have occurred. In certain instances, the answer to this issue would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc, the answer to the above question would depend upon the timing when the Company became aware of the event/information.

In the former, the events/information (based on the facts and circumstances), can probably be said to have occurred upon receipt of approval of the Board of Directors.

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 of Directors, pending Shareholder's approval.

In the latter, the events/information can be said to have occurred when the Company become aware of the events/information, or as soon as, an officer of the Company has, or ought to have reasonable come into possession of the information in the course of the performance of his duties.

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:

- a. 30 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 Board of Directors meeting close after normal trading hours of that day but more than 3 hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose decision pertaining to the event or information, within 3 hours from closure of the meeting:

Provided further that in case the meeting of the Board of Directors is being held for more than 1 day, the financial results shall be disclosed within 30 minutes or 3 hours, as applicable, from closure of such meeting for the day on which it has been considered.

- b. 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;

- c. 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

Provided that if 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- para 8 of Para B of Part A of Schedule III of the SEBI Listing Regulations is maintained in a structured digital database in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the disclosure with respect to such claims shall be made to the Indian stock exchanges within 72 hours of receipt of notice by the Company.

The Company shall put in place appropriate systems for prompt internal reporting of events to comply with the requirements of Regulation 30 of the SEBI Listing Regulations.

The disclosure with respect to events for which timelines have been specified in Schedule III of the SEBI Listing Regulations, shall be made within such timelines. In case the disclosure is made after the timelines specified under the SEBI Listing Regulation, then, along with such disclosure, Company shall provide the explanation for the delay. The timelines stipulated under Regulation 30 of the SEBI Listing Regulations for making disclosures to the stock exchanges, other than outcome emanating from Board meeting, would begin once an officer of the listed entity has become aware of the occurrence of an event / information, through credible and verifiable channels of communication.

The listed entity shall, with respect to disclosures referred to in the SEBI Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

The Company will, with respect to disclosures referred to in this Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved or closed, with relevant explanations.

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

The Key Managerial Personnel (**KMPs**) consisting of the Chairman and Managing Director/ Whole Time Director, Chief Finance Officer and the Company Secretary are cumulatively responsible to take a view on the materiality of an event which may qualify for disclosure and resolve any computation and interpretation issues whilst making the materiality assessment and to consider such other events that may require disclosure to be made to the stock exchanges which are not explicitly defined in the SEBI Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters. The Authorized Person/s shall exercise his/her own judgment while assessing the materiality of events / information associated with the Company.

## **8. WEBSITE UPDATION / UPDATES TO STOCK EXCHANGES: -**

The Company shall update all disclosures made under the regulations to the stock exchanges on its website and shall continue to be hosted on the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer of the Company shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates shall also be hosted on the website of the Company.

## **7. POLICY REVIEW, LIMITATION & AMENDMENT: -**

The right to interpret / amend / modify this policy vests in the Board of Directors of the Company.

In the event of any conflict between the provisions of this Policy and the SEBI Listing Regulations or any other statutory enactments or rules, the provisions of SEBI Listing Regulations 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.

Any Amendment to SEBI Listing Regulations or any other statutory enactments or rules, same shall mutatis mutandis be deemed to have been incorporated in this Policy.

## **8. DISSEMINATION OF POLICY: -**

This Policy shall be hosted on the website of the Company.

**By the Board of Directors,  
Davangere Sugar Company Limited.  
Email-id: [cs@davangeresugars.com](mailto:cs@davangeresugars.com)**