



Policy on Determination of Materiality for Disclosures of Events or Information

December 1, 2015
(Revised on August 7, 2023 – Effective from July 14, 2023)
(Revised on February 3, 2025 – Effective December 1, 2024)

1. Background

Tata Chemicals Limited (the Company) is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE), and it must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations) that came into effect from December 1, 2015. Listing Regulations mandate listed entities to formulate a Policy for determining materiality of events or information that warrant disclosure to investors. It is in this context that the Policy on Determination of Materiality for disclosures ("Policy") has been framed and implemented.

2. Definitions

In this Policy, unless the context otherwise requires:—

- a. "Board of Directors" shall mean the Board of Directors of Tata Chemicals Limited.
- b. "Chief Financial Officer" or "whole time finance director" or "head of finance", by whatever name called, shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognised stock exchange(s) in its filing under the Listing regulations;
- c. "Key Managerial Personnel" means Managing Director, Executive Director, Chief Financial Officer and Company Secretary of Tata Chemicals Limited.
- d. "Mainstream Media" shall have the same meaning ascribed under the Listing Regulations read along with related SEBI Circulars, Notifications, Guidance Note and Industry Standard Note issued by Industry Standards Forums ('ISF'), as amended from time to time.
- e. "Promoter" and "Promoter Group" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of Regulation 2(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- f. "Subsidiary" means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013;

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, 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.

3. Objective of the Policy

The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other applicable legislations (in India or Overseas).
- b. To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of the event or information.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of material / price sensitive information within the context of the Company's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of material information released by the Company.
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

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 (i) Para A of Part A and (ii) Part B of Schedule III of Regulation 30 of the Listing Regulations will be disclosed without any application of the guidelines for materiality.

Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the Listing Regulations will be disclosed based on materiality principle.

5. Persons Responsible for Disclosure

The Board of Directors of the Company have authorized the Managing Director, Chief Financial Officer and the Company Secretary (Authorized Persons) to determine the materiality of an event or information and to make appropriate disclosure on a timely basis.

The Authorized Persons are also empowered to :

- i. seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.
- ii. call for information from all its internal stakeholders including from its subsidiaries.

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- a. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved / closed, with relevant explanations.
- d. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such event or information.
- e. To disclose all events or information with respect to the subsidiaries which are material for the Company.

6. Guidelines for Assessing Materiality

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information.

The following criteria will be applicable for determination of materiality of event or information:

- a) The omission of an event or information which is likely to result in:
 - discontinuity or alteration of an event or information already available publicly; or
 - significant market reaction if the said omission came to light at a later date;
- b) The omission of an event or information, whose value or the expected impact in terms of value exceeds the lower of the following:
 - i) 2% of turnover, as per the last audited consolidated financial statements of the Company; or
 - ii) 2% of net worth, as per the last audited consolidated financial statements of the Company, except in case of the arithmetic value of the networth is negative,;
 - iii) 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company

- c) In case where criteria specified under above-mentioned clauses (a) and (b) are not applicable, an event or information may be treated as material if in the opinion of the Board of Directors of the Company, the event or information ought to be disclosed.

7. Guidance on Timing of an Event or Information

- a) The Company may be confronted with the question as to when an event / information can be said to have occurred.
- b) In certain instances, the answer to above question 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.
- (i) In the former, the events / information can 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 case in-principle approval or approval to explore transactions (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under Regulation 30 of the Listing Regulations.

- (ii) In the latter, 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 Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

- c) The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of Listing Regulation as soon as reasonably possible and in any case not later than the following:
- (i) 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;
- (ii) 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (iii) 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

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

In case the disclosure is made after the timelines specified under the Listing Regulation, the Company shall, along with such disclosure provide the explanation for the delay.

- d) In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30 of 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.

8. Guidance on verification of market rumours subject to material price movement

- a. With effect from December 1, 2024, the Company shall confirm, deny or clarify upon the material price movement, any reported event or information in the mainstream media, which is not general in nature and which indicates that rumour of an impending specific material event or information are circulating amongst the investing public. Such disclosure shall be made in accordance with Regulation 30 of the Listing Regulations, circulars / notifications issued by SEBI / Stock Exchanges in this regard and the Industry Standard Note ('ISN') on verification of market rumours issued by ISF. If the Company confirms the reported event or information, it shall also provide the current stage of such event or information.

- b. Criteria for determining foreign jurisdictions having material business operations:

The Industry Standards Note *inter alia* provides for the scope and ambit of 'Mainstream Media', the criteria for identification of news sources along with list of specific news sources for each category of media viz. Newspapers, digital/online news sources, international media, news channels, social media (having limited applicability).

Pursuant to the aforesaid Industry Standard Note issued by ISF, the Company shall be deemed to have material business operations in the foreign jurisdictions, where turnover of subsidiaries and joint ventures exceeds 5% of the turnover of the audited consolidated financial statements of the Company for the previous financial year.

The Key Managerial Personnel of the Company shall identify the list of English business/financial news sources from such jurisdictions, that the Company shall track, for the purposes of compliance with the proviso to Regulation 30 (11) of the Listing Regulations in respect of rumours published in international media in these jurisdictions.

9. Obligations of Internal Stakeholders and Authorized Persons for Disclosure

- a. In case of occurrence of any event or information, including the information specified in (i) Para A & Para B of Part A and (ii) Part B of Schedule III of the Listing Regulations, the internal stakeholder(s) shall forthwith inform to the Authorized Person(s) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- b. The Authorized Persons will then ascertain the materiality of such event(s) or information based on the above guidelines.
- c. On completion of the assessment, the Authorized Persons shall if required make appropriate disclosure(s) to the Stock Exchanges.

10. Policy Review

The Authorized Persons may review the Policy from time to time. Material Changes to the Policy will need the approval of the Board of Directors.

Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

Any amendments to the Listing Obligations shall *mutatis mutandi* be deemed to have been incorporated in this Policy.

11. Effective Date

The Policy as approved by the Board of Directors has been effective from December 1, 2015 and the amended Policy shall be effective from December 1, 2024.

12. Website

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the archival policy of the Company.

13. Contact Details

Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Company Secretary and Compliance Officer, who is in charge of administering, enforcing and updating this Policy.

Rajiv Chandan

Chief General Counsel & Company Secretary

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