

DIGJAM

MATERIALITY
POLICY

➤ INTRODUCTION

The Policy for determination of materiality of events or information ("Policy") for disclosure to the Stock Exchanges 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 ("Listing Regulations").

The Board of Directors of the listed entity shall authorize one or more Key Managerial personnel for the purpose of determining the materiality of an event or information for the purpose of making disclosures.

This policy shall be read in conjunction with Industry Standards Note on Regulation 30 of the Listing Regulations.

➤ OBJECTIVE

Digjam Limited being a listed entity, is obligated to comply with the disclosure requirements under the Listing Regulations and is committed to the premise that all the persons investing in the publicly traded securities have equal right to access information that may affect their investment decisions and believes that full and fair disclosure of material information to the public is the cornerstone to the integrity of the Capital Market.

➤ Definition

"Act" shall mean the Companies Act, 2013 and the Rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof.

"Board of Directors" or "Board" shall mean the Board of Directors of Deep Diamond India Limited, as constituted from time to time.

"Independent Director" means a Director of the Company within the meaning of Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations.

"Key Managerial Personnel or KMP" means Key Managerial Personnel of the Company and includes Executive Chairman, Managing Director, Whole-Time Director, Chief Executive Officer, Manager, Chief Financial Officer and the Company Secretary, who may be authorized individually or collectively to determine materiality of events or information and disclose to Stock Exchange(s).

"Listing agreement" shall mean an agreement that is to be entered into between a recognized stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015.

"LODR" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments thereto.

"Material Event" or "Material Information" shall mean such event or information as set out in the Schedule or as may be determined in terms of Clause 5 of the Policy and Para A of Part A of Schedule III to the Listing Regulations. In the Policy, the words, "material" and "materiality" shall be construed accordingly.

"Policy" means this Policy for Determination of Materiality as may be amended from time to time. "Regulations I Listing Regulations" mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

"Schedule" means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Regulations or any other applicable laws or regulations to the extent applicable to the Company.

Further, the words and expressions used but not defined herein shall have the same meaning as assigned to those words and expressions under the SEBI Listing Regulations. If any words and expressions is/are not defined in the Listing Regulations such words and expressions shall have the same meaning as assigned to those words and expressions under the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

➤ **Criteria for determining Materiality of events or 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 materiality criteria for assessing and categorizing the events/ information/ transaction as Material as follows:

1. Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed without any application of the guidelines for materiality.
2. 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.
3. Events or information of subsidiaries which are identified as material, by the authorized KMP, based on application of materiality criteria.

The following criteria are to be considered for determining materiality of events or information:

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

DIGJAM LIMITED

- 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 is likely to result in significant market reaction if the said omission came to light at a later date; and

Note: "significant market reaction" *Significant market reaction may be assessed against scrip price, as per the parameters specified by the stock exchange(s).*

- c. The omission of an 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 listed entity.
 - ii. two percent of net worth, as per the last audited consolidated 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 consolidated financial statements of the listed entity

While assessing whether an event exceeds the quantitative materiality thresholds, Company shall take guidance from the industry standards on which of the relevant and appropriate parameter is to be considered for determination of materiality for different types of events under Para B of Part A of Schedule III of SEBI (LODR) Regulations, 2015.

- d. In case where the criteria specified in (a), (b) and (c) are not applicable, an event / information may be treated as being material if in the opinion of the Board of Directors of the Company, the event / information is considered material.

➤ Disclosure of events or information

1. The Company shall disclose all events or information which are material in accordance with the Policy as soon as reasonably possible and in any case not later than the following:

- 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.

- Twelve hours from the occurrence of the event or information in case the event or information is emanating from within the listed entity.

- 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:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the Listing Regulations shall be made within such timelines as provided under the relevant provisions of the Listing Regulations.

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-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.

Explanation I: Disclosure of an event under Para B of Part A of Schedule III would be required to be made if the gross amount involved in such event exceeds the materiality threshold. However, Company may disclose details of indemnity and insurance claims which could mitigate the expected impact, if any, in respect of such event to provide more context while making the disclosure.

Explanation II: The timelines stipulated above for making disclosures to the stock exchanges would begin once an officer of the Company becomes aware of the occurrence of an event / information, through credible and verifiable channels of communication

2. Where in case the disclosure is made after the timelines specified above of the occurrence of such event/ information, the Company shall, along with such disclosure(s) provide an explanation for the delay.

However, Company can provide defence for non-compliance with the timelines specified above if there is any reasonable delay on account of:

- i. a force majeure event,
- ii. time taken for completion of prima facie assessment of materiality for certain relevant events (such as orders, fraud, winding-up petitions, action initiated, claims made against listed entity, etc.), or
- iii. information/ event relating to subsidiary, director, key managerial personnel, senior management or promoter (where the company is not directly involved), etc.

Even in such events, explanation for the delay should be provided along with the disclosure of the event / information

Timeline for litigation / dispute against the listed entity

On receipt of any claims, entry in SDD is required to be made if the company is opting for disclosure within 72 hours.

In other cases, where SDD is not maintained, then the disclosure is to be given within 24 hours.

Disclosure of Analyst / Institutional Investor Calls

- Disclosure of names of Analyst / Institutional Investors to attend the call – Optional
 - Presentation to be disclosed prior to the call.
 - Audit Recording on the website of the Company within 24 hours or before next trading day WIE.
 - Video Recording also now mandatory on the website of the Company within 48 hours of the call.
 - Transcripts on website as well as SE within 5 working days of the call.
 - Transcript to be on website for 5 years and with company for 8 years as per Archival Policy.
 - Audio and / or video recordings on website for 2 years and with company for 8 years as per Archival Policy.
3. The Company shall disclose to the stock exchange(s) material updates on the events/ information disclosed under this Policy till such a time the event is resolved/ closed, with relevant explanations.

Without prejudice to the generality of the provisions of this Policy, the Company may make disclosures of any event/ information as specified by the Board from time to time.

➤ Mechanism to be adopted for Identifying and Reporting potential material event/ information by relevant employees

- a. During the course of performance of one's role, the Relevant employee/(s) shall be responsible for identifying pertinent events/information as specified by the SEBI, from time to time, which has potential to be classified as material events/information as per the policy.
- b. Upon identification of potential material events/information, the relevant employee shall promptly report the details of such potential material events/information to the Authorized KMP.
- c. The details so submitted shall be authentic and comprehensive to enable the Authorized KMP to make informed decision/ take appropriate actions.
- d. The Relevant Employees should exercise necessary diligence to ensure confidentiality of the details being submitted/so submitted to the Authorized KMP.
- e. The Authorized KMP will then ascertain the materiality of such event(s) or information based on the above guidelines.
- f. On completion of the assessment, the KMP(s) shall, if required, make appropriate disclosure(s) to the Stock Exchanges.

➤ Review and Amendment

- a. The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant regulation and remains effective. The Board of Directors has the right to alter, modify, add, delete, or amend any of the provisions of this policy at its discretion and the new policy shall be displayed to the stakeholders.
- b. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

➤ Dissemination

The Policy, as amended from time to time, shall be placed on the website of the Company at <https://digjam.co.in/>

Annexure I

Format for Submission of Information to Compliance Officer (to be filled by the Nodal Officer/Designated Person)

Sr. No.	Question	Remarks
1.	Name of the Department	
2.	Name and Designation of originator of Information	
3.	Details of events/Information	
4.	Analysis/working, if any. (For impact of such information on Company)	
5.	Source of Information	
6.	Calendar of Events/milestones (date wise)	
7.	Name of Persons with whom such information is shared along with PAN/other identifier detail in absence of PAN (internal/external)	

I, _____, hereby undertake that the aforementioned information provided by the undersigned is true and to the best of my knowledge. The information is provided in compliance with the Regulation 30 of the SEBI (Listed Obligations and disclosure requirements). The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the circumstances:

- a) Under any proceedings or pursuant to any order of courts or tribunals.
- b) For investigation, inquiry, or request for information by statutory or governmental authorities or any other administrative body recognized by law; and
- c) In compliance with applicable laws, regulations, rules, and requirements.
- d) In order to fulfil his/her duties/obligations

Name and Signature:

Date:

Place: