

POLICY FOR DETERMINATION OF MATERIAL EVENTS

1. Introduction:

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) every Listed entity is required to frame a policy for determining materiality of an event or information and accordingly is required to make disclosure of such event/ information based on the policy. In compliance with this requirement, the Board of Directors have framed the policy to disclose events or information which, in the opinion of the Board of Directors of Company. The said policy was adopted with the objective of determining materiality of events.

2. Definition:

“Board of Directors” or “the Board” means the Board of Directors of **PCS Technology Limited**, as constituted from time to time. “Company” means PCS Technology Limited “Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. “Material Events” means events as specified in Schedule III to the Listing Regulations and upon the occurrence of which a listed entity shall make disclosures to stock exchange(s) and host such disclosures on the listed entity’s website. “Policy” means Policy for Determination of Material Events.

3. Determining Material Event: .

a) The events specified in Para A of Part A of Schedule III of the Regulations are deemed to be material events and such events shall be disclosed without any application of guidelines for materiality as specified in Regulation 30 (4) of the Listing Regulations.

b) The events specified in Para B of Part A of Schedule III of the Regulations, shall be disclosed upon application of guidelines for materiality as specified in Regulation 30 (4) of the Listing Regulations. Such events are mentioned below:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.

2.

Any of the following events pertaining to the listed entity:

(a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or

(b) adoption of new line(s) of business; or

(c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal)

3. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.

4. Agreements (viz. loan agreement(s) 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.
5. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire, etc.), force majeure or events such as strikes, lockouts, etc.
6. Effect(s) arising out of change in the regulatory framework applicable to the Company.
7. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
8. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
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- Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
12. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.
13. Capacity addition or product launch.

c) Any other events/ information which is likely to affect the business of the Company and such information/ events is exclusively known to the Company which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities shall be disclosed.

d) Apart from the events mentioned in a, b & c above, the listed entity may make disclosures of event/information as specified by the Board from time to time.

The Company shall disclose all the above Material events first to the stock exchange as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information. In the event the Company fails to make the disclosure within the time period, the Company shall also provide an explanation for such delay. All disclosures made under this policy shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

4. Criteria for determining materiality of events/ information:

Regulation 30(4)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 determines criteria for materiality of events/ information as listed in Para B – Part A of Schedule III of the Listing Regulations, which are as under:

- i) Qualitative Criteria: the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii) 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; iii) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an 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.

I. Quantitative Criteria

If the value or the expected impact in terms of value of such event or information exceeds the lower of the following:

- (a) two percent of turnover, as per the Company's last audited annual consolidated financial statements**
- (b) two percent of net worth, as per the Company's last audited annual consolidated financial statements, except in case the arithmetic value of the net worth is negative;**
- (c) five percent of the average of absolute value of profit or loss after tax, as per the Company's last three audited annual consolidated financial statements.**

For every event / information the listed in Para B - Part A of Schedule III of the Listing Regulations, reference can be made to the ISF note or any other circular(s) , FAQ(s) issued by SEBI or Stock Exchanges from time to time

5. Authorization for disclosure:

The Board of Directors of the Company have duly authorized following authorized persons for the purpose of determining materiality of events/ information & for the purpose of making disclosure to the Stock Exchange; . i.e. Chairperson or Vice- chairman Company Secretary, CEO and CFO of the Company, The name, designation and contact details of the Managing Director & CEO has been disclosed to the Stock Exchange.

6. Disclosure:

The Policy will be disclosed on the website of the Company viz. www.pcstech.com

7. Amendments to the Policy:

In case of any subsequent amendments to the Listing Regulations which make any of the provisions in the Policy inconsistent, the provisions of the Listing Regulations shall prevail. Any amendment in this policy shall be promptly disclosed on the Company's website pursuant to applicable laws and regulations, together with details about the nature of the amendments.

The Board may review and amend this Policy from time to time, as may be deemed necessary.
