

## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION**

### **1. PREAMBLE:**

- This Policy (hereinafter referred to as “Policy”) shall be called “Policy on determination of materiality of events or information “of M/s Bhartiya International Limited (“Company”).
- In terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), every company which has listed its ‘Specified Securities’ (as defined below) is required to frame a policy for determining the materiality based on criteria specified in Regulation 30(4), duly approved by its Board (as defined below) which is to be disclosed on the website of the Company.
- This policy is effective from 1<sup>st</sup> December, 2015 and now amended as per the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 effective from 17<sup>th</sup> July, 2023.

### **2. OBJECTIVES OF THE POLICY:**

The Company wishes to adopt the Policy to define the parameters/ criteria to determine the materiality of events or information specified in paragraph B of Part A of Schedule III of the SEBI Listing Regulations with respect to the Company and its subsidiaries.

### **3. DEFINITIONS:**

“Act” means the Companies Act, 2013, including any amendments thereto and any rules, regulations, notifications and clarifications issued thereunder and to the extent notified, and the Companies Act, 1956 any amendments thereto and any rules, regulations, notifications and clarifications issued thereunder, to the extent applicable and in force;

“Board” shall mean the Board of Directors of the Company, as constituted from time to time; “Compliance Officer” shall mean the Company Secretary of the Company;

“Specified Securities” shall have the meaning ascribed to the term in Regulation 2(1) (zl) of the SEBI Listing Regulations;

“SEBI” shall mean the Securities and Exchange Board of India;

“Stock Exchange” shall mean the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited;

Words and expressions not defined herein shall have the meaning ascribed to them under the SEBI Listing Regulations, the Act, the Securities and Exchange Board of India Act, 1992, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Securities Contracts (Regulation) Act, 1956.

#### 4. CLASSIFICATION OF MATERIAL EVENTS OR INFORMATION

Regulation 30 of SEBI [LODR] Regulations, have categorized material events and information which will have bearing on the performance/operations of the Company. The disclosures of events and information which the Company shall make to the Stock Exchange(s) as broadly categorized under these regulations are as under –

- 1) **Events specified in Para A of Part A of Schedule III** of SEBI [LODR] Regulations, 2015 shall be **deemed to be material** and have to be necessarily disclosed without any application of the guideline of materiality.
- 2) **Events specified in Para B of Part A of Schedule III** should be disclosed **if considered material**.
- 3) Any other material event or information which have not been covered above shall also be disclosed to the Stock Exchanges upon application of guidelines for materiality to be determined by the Authorised Key Managerial Personnel on the basis of criteria as mentioned in Regulation 30(4).
- 4) Without prejudice to the generality of the Clause i, ii & iii above; Events/Information specified by the SEBI from time to time.

##### **Guidelines for determination of materiality of 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 is likely to result in significant market reaction if the said omission came to light at a later date;
- (c) In omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
  - two percent of turnover, as per the last audited consolidated financial statements of the Company;
  - two percent 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;
  - 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 Company.
- (d) 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.

Provided that any continuing event or information which becomes material pursuant to notification of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 shall be disclosed by the listed entity within 30 days from the date of coming into effect of these amendments.

#### 5. AUTHORITY FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION

The following personnel are authorized by the Board for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the Stock Exchanges:

- a) Chief Financial Officer;
- b) Company Secretary

The Compliance Officer shall be responsible for making disclosures to the Stock Exchanges. The contact details of the Compliance Officer shall be made available to the Stock Exchanges and shall also be available on the website of the Company.

## **6. DISCLOSURE OBLIGATIONS**

- (a) The Company shall first disclose to the stock exchange all events or information which are material in terms of the provisions of Regulation 30 of SEBI (LODR) Regulations 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;
- (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (iii) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

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

Provided further that in case the disclosure is made after the timelines specified under the Regulation 30 of SEBI (LODR) Regulations, the Company shall, along with such disclosure provide the explanation for the delay.

- (b) Updation of event/ information on regular basis - The Company shall, with respect to disclosures referred to in Regulation 30 of the SEBI (LODR) Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- (c) In case an event or information is required to be disclosed by the Company in terms of the provisions of SEBI (LODR) 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.
- (d) Queries by Stock Exchanges – (i) The Company shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any events or information. (ii) The Company may, at its own initiative, also confirm or deny any reported event or information to the Stock Exchanges.
- (e) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

## **7. DISCLOSURE REQUIREMENTS FOR CERTAIN TYPES OF AGREEMENTS BINDING COMPANY**

All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a Company or of its holding, subsidiary and associate company, who are parties to the agreements specified in Clause 5A of Para A of Part A of Schedule III of Regulation 30 of the SEBI (LODR) Regulations, shall inform the Company about the agreement to which a Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements.

Provided that for the agreements that subsist as on the date of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 dated 14th June, 2023 of clause 5A to para A of part A of Schedule III of the SEBI (LODR) Regulations, the parties to the agreements shall inform the Company, about the agreement to which a Company is not a party and the Company shall disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by SEBI.

The Company shall disclose the number of agreements that subsist as on the date of aforesaid SEBI notification of Clause 5A to Para A of Part A of Schedule III of SEBI (LODR) Regulations, their salient features, including the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24.

## **8. AUTHORITY AND AMENDMENTS TO THE POLICY**

- This Policy has been adopted by the Board of the Company.
- The Board, may, subject to applicable laws amend, alter, modify, substitute any of the provision(s) with a new provision(s) or replace this Policy entirely with a new policy from time to time based on the requirements as prescribed under the SEBI Listing Regulations.

## **9. SCOPE AND LIMITATION**

In the event of any conflict between the provisions of this Policy and the Act or the SEBI Listing Regulations or any other statutory enactments or rules, the provisions of the SEBI Listing Regulations / the Act or statutory enactments, rules made thereunder shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

## **10. DISEMINATION OF INFORMATION UNDER THE POLICY**

The Company shall disclose all such events or information which has been disclosed to the Stock Exchanges pursuant to the SEBI Listing Regulations and this Policy on its website and such disclosures shall be hosted on the website of the Company for a minimum of 5 (five) years and thereafter as per the archival policy of the Company.

***Note :- Last Reviewed and approved by the Board in its Meeting dated 11<sup>th</sup> August, 2023.***