

## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENT / INFORMATION.**

### **1. Preamble**

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”), mandates disclosure of any events or information which, in the opinion of the Board of Directors, is material.

### **2. Scope & Objectives**

With a view to enable investors of the Company make well-informed investment decisions, timely, accurate and adequate disclosure / dissemination of material events / information, on an ongoing basis is crucial. Accordingly this Policy is formulated to disclose such event(s) / information, which in view of the management and the regulators, is material and thereby attaining highest standards of accountability, equity and transparency of not only business operations of the Company but also of a Company as a whole.

The objective of this Policy is to determine the materiality of event or information of the Company and to make disclosures of such events or Information to Stock Exchanges and Stakeholders in timely manner to ensure good corporate governance.

### **3. Definition**

All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

“**Act**” shall mean the Companies Act 2013 and the Rules framed thereunder, including any modification, clarification, circulars or re-enactment thereof.

“**Regulations**” or “**Listing Regulations**” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

“**Audit Committee or Committee**” means Audit Committee constituted by the board

“**Board of Directors or Board**” means the Board of Directors of Techindia Nirman Limited, as constituted from time to time.

“**Company**” means Techindia Nirman Limited .

“**Policy**” means this Policy providing guidelines for determining materiality of event or information and as may be amended from time to time

“**Key Managerial Personnel (KMP)**” means Key Managerial Personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.

“**Material Events**” are those that are specified in Para A of Part A and of Schedule III of the LODR.

**“Other Events”** are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4).

**“LODR”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**“Authorized Persons”** for the purpose of determining materiality of an event or information as per the guidelines contained under this Policy and making disclosure to the stock exchanges.

**“Stock Exchange”** means the stock exchange(s) where the securities of the Company are listed.

#### **4. Disclosure of events or information:**

1. Events or information specified in Para A of Part A of Schedule III of the Listing Regulations (as may be amended from time to time) will be disclosed without application of any quantitative or qualitative materiality thresholds as these are “deemed” to be material.
2. The events or information specified in Para B of Part A of Schedule III of the Listing Regulations will be disclosed based on application of materiality criteria, as laid out in the Policy below.

#### **5. Policy**

The Policy sets out:

1. Guidelines for identification of such Information which is deemed to be material in the opinion of the Board of Directors; and
2. Roles and responsibilities of Key Managerial Personnel for determining materiality of an event or information and making disclosure to stock exchanges where shares of the Company are listed (“stock exchanges”).

##### **5.1 Guidelines for identification of such Information which is deemed to be Material in the opinion of the Board of Directors**

- A. The following events/ information will be disclosed to the stock exchanges as soon as possible but not later than twenty-four hours from the occurrence of event/ information.
  1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
  2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
  3. Production capacity addition or new product launch.
  4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.

5. Agreements (viz. loan agreement(s) (as a borrower) 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.
  6. Disruption/ suspension of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
  7. Effect(s) of change in the regulatory framework applicable to the Company.
  8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
  9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees.
  10. Options to purchase securities including any ESOP/ESPS Scheme.
  11. Giving of guarantee(s) or indemnity or becoming a surety for any third party.
  12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
  13. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.
  14. Such other disclosures of event/information as specified by the Board of Directors from time to time.
- B. In the event the materiality threshold indicated above cannot be applied to a particular event and/or information, the Company shall assess the materiality based on following criteria:
- (a) the omission of disclosure of a particular event or information is likely to result in discontinuity or alteration of event or information already available publicly; or
  - (b) the omission of disclosure of a particular event or information is likely to result in significant market reaction, if the said omission came to light at a later date.
- C. Only such impact which is direct, reasonably quantifiable & perceivable, and not remote, shall be considered.
- D. In addition to the quantitative criteria set forth in (A) above, the Authorized Persons may apply qualitative criteria for assessment of an event/ information to be material where the quantitative criteria cannot be reasonably ascertained or applied.

**5.2 Roles and responsibilities of Key Managerial Personnel for determining materiality of an event or information and making disclosure to stock exchanges.**

- A. In terms of Regulation 30(5), the Board of Directors have authorized the Key Managerial Personnel of the Company i.e. the Managing Director, the Director and Group Chief Financial Officer, the Director and Company Secretary as the Company.
- B. The role and responsibility of the Authorized Persons shall be –
1. To review and assess the materiality of an event that may qualify as ‘material’ and may require disclosure, on the basis of prevailing facts and circumstances. The disclosure shall be finalized in consultation with the Managing Director.
  2. To confirm or deny any reported event or information to the stock exchanges. Such communication shall be finalized in consultation with the Managing Director.
  3. To make required disclosures to the stock exchanges within the stipulated time of actual occurrence of an event or information, after ascertaining the facts. The Authorized Persons may follow the guidelines, as mentioned below, regarding the occurrence of an event or information:
    - a) When the occurrence of an event depends on the stage of discussion, negotiation or approval, it should be disclosed within twenty-four hours of the receipt of approval of the Board of Directors. Considering the price sensitivity involved for certain events, the Authorized Persons may decide to disclose the event upon receipt of approval of the Board of Directors, pending/ subject to approval of the Shareholders.
    - b) In case of force majeure events, disclosure shall be made when the Company becomes aware of the event/ information.

Company will be considered to be aware of the events/ information, 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.

4. To disclose material developments with relevant explanation on a regular basis, till such time the event or transaction is resolved/closed.
5. 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 matters.
6. To disclose material events or information with respect to the subsidiaries of the Company.
7. To ensure that the events and/ or information which have been disclosed to the stock exchanges, is disclosed on the Company’s website and the same is hosted on the

website for a minimum period of five years and thereafter, as per the archival policy of the Company.

8. To ensure specific and adequate reply to all queries raised by the stock exchanges w r t the event and/ or information disclosed.

**6. Review of the Policy**

This Policy shall be reviewed by the Board of Directors of the Company at least once in two years or at a lesser frequency as the Board may decide or upon any changes required in the Policy on account of regulatory amendments.

**7. Website up-dation**

The Company shall disclose on its website -

- a) all such events / information which has been disclosed to stock exchange(s) under the Listing Regulations; and
- b) such disclosure(s) shall be hosted on the website of the Company for a minimum period of five (5) years; and
- c) Thereafter as per the Archival Policy of the Company, as disclosed on the website of the Company.

**8. Amendments to the Policy**

The Board of Directors can amend this Policy, as and when deemed fit. 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.

**9. Communication of the Policy**

This policy shall be placed on the website of the Company.

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