



ITI LIMITED

POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURE OF INFORMATION

1. PREFACE:

The Policy 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).

2. OBJECTIVE

The objective of the Policy is to determine events or information which in the opinion of the Board is material and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

3. DISCLOSURE OF EVENTS OR INFORMATION

The events/information have been classified into following four categories

3.1.1 EVENTS WHICH ARE CONSIDERED TO BE DEEMED MATERIAL AND WHICH NEED TO BE DISCLOSED WITHOUT APPLICATION OF THE MATERIALITY CRITERIA.

3.1.1 CATEGORY A

In terms of Regulation 30(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 following events / information shall be disclosed within **30 minutes** of the closure of the Meeting at which relevant decision is taken by the Board:

- Declaration of Dividend and / or cash bonuses recommended or declared and other information pertaining to them.
- Cancellation of dividend with reasons thereof;
- Decision on buyback of shares
- Fund raising proposed to be undertaken.
- Increase in capital by issue of bonus shares
- Reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue
- Alteration of capital
- Financial results
- Voluntary delisting from stock exchanges

3.1.2 CATEGORY B

In terms of Regulation 30(2) of SEBI LODR Regulations following events / information shall be disclosed within **24 hours** from the occurrence of event or information:

- Acquisition, (including agreement to acquire), Scheme of Arrangement which includes amalgamation / merger / demerger / restructuring), or sale or disposal of unit(s), division(s) or subsidiary of the listed entity or any other restructuring.
- Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
- Shareholder agreement, Joint Venture agreement, and agreement / treaty / contract which are not in the normal course of business of the Company.
- Fraud / default by KMP or arrest of KMP.
- Reference to BIFR and winding-up petition filed by any party / creditors.
- Revision in ratings.
- Schedule of Analyst or institutional investor meet and presentation.
- Default by the Company in timely payment of interest or failure to redeem the debt securities.
- Change in Directorships, KMP, Auditor and Compliance Officer
- Appointment and discontinuance of share transfer agent
- Corporate debt restructuring
- One time settlement with bank.
- Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
- Proceedings of the General Meetings.
- Amendments to Memorandum and Articles of Association.

Note: If the Management is not in a position to inform the stock exchange within 24 hours of the occurrence of an event or information, then it shall inform the stock exchange as soon as it is possible with an explanation for delay in disclosing the said information.

3.2.1 EVENTS WHICH NEED TO BE DISCLOSED BASED ON THE APPLICATION OF THE MATERIALITY CRITERIA.

In terms of Regulation 30(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 following events / information shall be disclosed **as soon as it is possible**:

- Commencement or postponement of the date of commercial production or operation of any unit / division.
- Change in the general character or nature of business brought about by arrangements for strategic, technical manufacturing or marketing tie-up, new line of business or closure of operations of any unit / division
- Capacity addition or new product launch.
- Awarding, bagging / receiving, amendment or termination of awarded / bagged orders / contracts not in the normal course of business.
- Agreements for loan not in the normal course of business.
- Disruption of operation of any one or more units due to natural calamity, force majeure, or events such as strike, lockout, etc.
- Effects arising out of change in regulatory framework applicable to the listed entity.

- Litigation / dispute / regulatory action(s) with impact.
- Giving of guarantees or indemnity or becoming a surety for any third party
- Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

3.3 Any other information viz., Emergence of new technologies, Expiry of patents, Change in accounting policy that have a significant impact on the accounts etc and brief details thereof are necessary for the holders of the securities of the Company to appraise its position and to avoid the establishment of a false market.

3.4 Any other event/information as may be specified by SEBI from time to time

In addition to the above, the stipulations in the IIT Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as approved by the Board of Directors of the Company in terms of the provisions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 shall also be taken into account for disclosure of any event/information.

4. CRITERIA FOR DETERMINATION OF MATERIALITY

The information/events specified under category 3. 2 and 3. 3 above shall be deemed to be material if in the opinion of the authorized KMP

- (i) The omission of an event or information would likely to result in discontinuation or alteration of event or information already available publicly.
- (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 of an event / information does not fall under (i) and (ii) above, but still in the opinion of the board of directors are considered material.

5. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION UNDER CLAUSE 4 ABOVE

The Chairman and Managing Director (CMD) of the Company shall be the designated KMP to determine the materiality of the information/event to be disclosed to the Stock Exchange taking into account the above policy. The Company Secretary or in her absence, such other officer as may be specified by the CMD is authorized to make such disclosures to the Stock Exchanges.

6. VALIDITY AND AMENDMENT

This Policy shall be valid until otherwise determined by the Board.
