

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED
CIN: L65990WB1913PLC218486

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

1. BACKGROUND

The Company had formulated a POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION in February 2016. With the recent changes in SEBI (Listing Obligations and Disclosure) Regulations, 2015 as amended (LODR), the Company has revised the policy which has been approved by the Board of Directors at its meeting held on 12th August, 2022. This policy supersedes any earlier policy.

2. OBJECTIVE

- A. The objective of this Policy is to ensure that the Company complies with the disclosure obligations to which it is subject as a publicly traded company as laid down by the Listing Regulations, various securities laws and any other legislations.
- B. To ensure that the information disclosed by the Company is timely and transparent.
- C. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- D. To protect the confidentiality of material/ price sensitive information within the context of the Company's disclosure obligations.
- E. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- F. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

3. DEFINITIONS

- a. **"Act"** means the Companies Act, 2013 (and the Rules) and the Companies Act, 1956 to the extent applicable.
- b. **"Board"** means the Board of Directors of the Company.
- c. **"Company"** means Industrial & Prudential Investment Company Limited
- d. **"Key Managerial Personnel"** means key managerial personnel as defined under sub-section (.51) of section 2 of the Companies Act, 2013.
- e. **"Listing Regulations"** means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes other regulations, guidelines, circulars, orders and rules issued by SEBI/BSE to the listed companies .
- f. **"Policy"** means this policy, as amended from time to time.
- g. **"SEBI"** means the Securities and Exchange Board of India.
- h. **"Rules"** means the rules made under the Companies Act, 2013.
- i. **"Stock Exchange(s)"** means BSE Limited where the equity shares of the Company are listed.

4. DISCLOSURE OF EVENTS OR INFORMATION

Regulation 30 of LODR (Regulation) makes it obligatory to make disclosure of events which are material in nature in the opinion of the Board of Directors.

The Regulation prescribes broad framework of the policy of disclosure which forms part of this policy.

- a. Events specified in Para A of Part A of Schedule III are deemed to be material events and listed entity shall make disclosure of such events.

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- b. The Company considers the following criteria for determination of materiality of events/ information:
- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
 - 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;
 - an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.
 - The Board of Directors has laid down criteria of materiality as under

EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY REFERRED SUB-REGULATION (4) OF REGULATION (30)

Sr No	Events as per Para B of Part A of Schedule III	Materiality Threshold
	Change in the general character or nature of business or adoption of new lines of business or closure of operations of any unit/ division (entirety or piecemeal)	The investment in the unit / division is not less than 10% of the consolidated net worth of the Company OR the expected turnover from the unit / division is not less than 10% of the consolidated turnover of the Company of preceding Financial Year; whichever is higher.
	Effect(s) arising out of change in the regulatory framework applicable to the listed entity	The affected turnover by change in regulatory framework is not less than 10% of the consolidated turnover of the Company of the preceding Financial Year

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Sr No	Events as per Para B of Part A of Schedule III	Materiality Threshold
	Litigation(s)/dispute(s)/regulatory action(s) with impact	5% of the consolidated annual turnover or consolidated net worth of preceding Financial Year, whichever is more.
	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity	10% of the consolidated annual turnover or consolidated net worth of preceding Financial Year, whichever is more.
	Giving of guarantees or indemnity or becoming a surety for any third party	Exceeding the threshold as defined under Section 186 of the Companies Act, 2013 (Excluding Wholly Owned Subsidiary).
	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals	The affected turnover by such grant, withdrawal, surrender, cancellation or suspension is not less than 10% of the consolidated annual turnover of the preceding Financial Year.
	Events as per Para C of Part A of Schedule III	
	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 listed entity 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.	10% of the consolidated annual turnover of the preceding Financial Year

5. AUTHORISED KEY MANAGERIAL PERSONNEL (KMP)

The following KMPs are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or

information and for the purpose of making disclosures to Stock Exchange(s).

- Managing Director
- Chief Financial Officer
- Company Secretary

6. OTHER REQUIREMENTS OF DISCLOSURE AS PER REGULATION

- A. disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information and in case of delay to provide explanation for delay.
- B. Disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within ¹the timelines specified therein.
- C. To make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- D. To disclose on the website of the Company all such events or information which has been disclosed to stock exchange(s) under this regulation, for a minimum period of five years, and thereafter as per the archival policy of the listed entity, as disclosed on its website.
- E. To disclose all events or information with respect to subsidiaries which are material for the listed entity.
- F. To provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- G. The Company shall on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- H. The Company shall make disclosures of an event or an information available with the Company which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it.

7. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

8. SCOPE AND LIMITATIONS

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