

BANCO PRODUCTS (INDIA) LIMITED

POLICY ON DETERMINING MATERIALITY OF EVENTS/INFOMRATION

I. SCOPE OF THE POLICY

This policy is prepared in accordance with the requirements of the provisions of the SEBI (Listing Obligation and Disclosure) Regulation, 2015 (“**Regulations**”), as amended. The Board of Directors (“**Board**”) of **BANCO PRODUCTS (INDIA) LIMITED** (“**Company**”) has adopted this policy at its meeting held on 06.11.2015 and amended/updated on 7th August, 2023, for determination of materiality of events/information in order to enable the Company to broadly classify, categorize and promptly disclose to the stock exchanges material events/information, in accordance with the Regulations.

II. OBJECTIVE OF THE POLICY

- A. The Company believes in principles of fair disclosure and transparency in conduct of its business and understands that the importance of timely disclosure of relevant information to the shareholders/stakeholders of the Company is important to protect the interests of shareholders of the Company.
- B. Regulation 30 (4) (ii) of the LODR laid down to express the policy of the Company for identification/determination of material events/information which requires the Company to make prompt disclosure to the Stock Exchanges in accordance with the Listing Regulations.
- C. This Policy stands amended at any time by the Board of Directors (“the Board”) of the Company and is subject to further guidance from SEBI or amendments to or re-enactment of Regulations by various regulatory authorities.
- D. This policy supersedes existing policy of the Company.

III. RELEVANT REGULATIONS

- A. Para (A) of Part (A) of Schedule III of the Regulations, prescribes the Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30);
- B. Para (B) of Part (A) of Schedule III of the Regulations, specifies the list of events which may or may not be material to the Company and for which the Company has to apply the guidelines for materiality as specified in Regulation 30(4) in order to determine whether the event is material.
- C. Regulation 30(4) of the Regulations reads as follows

“(4) (i) The listed entity shall consider the following criteria for determination of materiality of events/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) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

(1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;

(2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;

(3) 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 listed entity

(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 listed entity, the event or information is considered material.

(ii) The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.”

IV. POLICY STATEMENT

A. The Company through this policy intends to determine whether an event or information is material or not in the following manner

a. Step 1: Classifying the information or event as i) Having an immediate monetary impact in the current or next financial year (“**Monetary Events/Information**”) or ii) Not having any immediate monetary impact in the current or next financial year (“**Non-monetary Events/Information**”).

b. Step 2: For Monetary Events/Information if the total monetary impact of the event/information on the either the assets, liabilities, expenses or turnover of the Company exceeds the Limits specified under Regulation 30(4)(i)(c) of the Listing Regulations, it should be promptly disclosed to the stock exchanges and on the website of the Company by any of the Authorised KMP’s.

c. Step 3: For Non-Monetary Events/Information that, i) have a bearing on the performance/operation of the Company or ii) which is considered to be unpublished price sensitive information [as per the SEBI (Prohibition of Insider Trading) Regulations, 2015] or iii) shall affect payment of interest or dividend of non-convertible preference shares or redemption of non convertible debt securities or redeemable preference shares, shall be evaluated by the Senior Management for disclosure.

B. Nothing in this policy is intended to restrict the Company from voluntarily disclosing any additional information and the Authorised KMP’s are jointly authorised to disclose additional information as may be considered important by the Authorised KMP’s for disclosure to the shareholders after due process, as approved herein under.

V. DISCLOSURE OF EVENTS OR INFORMATION

- i. Events specified in Annexure A are deemed to be material events and the Company shall make disclosure of such events or information as soon as reasonably possible and not later than the specified timelines.
- ii. The Company shall make disclosure of events as specified in Annexure B based on application of guidelines for determining Materiality as per clause C of this policy
- iii. The Company shall, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- iv. The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation , and such disclosures shall be hosted on the website of the listed entity for a minimum period of five years and thereafter as per the archival policy of the listed entity, as disclosed on its website.
- v. The Company shall disclose all events or information with respect to subsidiaries which are material for the listed entity.
- vi. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information:
- vii. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s)
- viii. In case an event or information is required to be disclosed by the Company in terms of the provisions of this regulation, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the listed entity shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

VI. IMPLEMENTATION AND MONITORING

The Senior Management of the Company are jointly and severally authorized by the Board, to decide whether any event or information is material and for the purposes of making disclosures to the stock exchanges.

VII. CHANGE MANAGEMENT

The Authorised KMP's after approval of the Board may amend or modify this Policy in whole or in part, at any time.

This policy shall supersede the earlier policy approved by the Board of Directors ("Board") of the Company at their Meeting held on 16.11.2015 and the Board reserves the power to review and amend this policy from time to time. All provisions of this policy would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

For Banco Products (India)Limited

Sd/-

Whole Time Director

Timeline for disclosure of events specified in Part A of Schedule III of the LODR Regulations

Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

Para / sub-para	Events	Timeline for disclosure
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.	Within 12 hours *
2.	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.	Within 12 hours *
3.	New Ratings(s) or Revision in Rating(s).	Within 24 hours
4.	Outcome of Meetings of the board of directors	Timeline as specified in sub-para 4 of Para A of Schedule III.
5.	Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
5A.	Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements: Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
6.	Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.	Within 24 hours
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	Within 12 hours * (except in case resignation); Within 24 hours (in case of resignation)
7A.	In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor.	Timeline as specified in sub-para 7A of Para A of Schedule III.
7B.	Resignation of independent director including reasons for resignation.	Timeline as specified in sub-para 7B of Para A of Schedule III.
7C.	Letter of resignation along with detailed reasons for the resignation as given by the	Timeline as specified

	key managerial personnel, senior management, Compliance Officer or director.	in sub-para 7C of Para A of Schedule III.
7D.	In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).	Within 12 hours *
8.	Appointment or discontinuation of share transfer agent.	Within 12 hours *
9.	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.	Within 24 hours
10.	One time settlement with a bank.	Within 24 hours
11.	Winding-up petition filed by any party / creditors.	Within 24 hours
12.	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.	Within 12 hours *
13.	Proceedings of annual and extraordinary general meetings of the listed entity.	Within 12 hours *
14.	Amendments to memorandum and articles of association of listed entity, in brief.	Within 12 hours *
15.	(a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors. (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.	Timeline as specified in sub-para 15 of Para A of Schedule III.
16.	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.	Within 24 hours
17.	Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities: (a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; (b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.	Within 12 hours * (if initiated by the listed entity); Within 24 hours (if initiated by external agency).
18.	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.	Within 24 hours
19.	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following: (a) search or seizure; or (b) re-opening of accounts under section 130 of the Companies Act, 2013; or (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;	Within 24 hours
20.	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following: (a) suspension; (b) Imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called;	Within 24 hours
21.	Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.	Within 12 hours *

Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30)

Para / sub-para	Events	Timeline for disclosure
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	Within 12 hours *
2.	Any of the following events pertaining to the listed entity: (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (ii) adoption of new line(s) of business; or (iii) closure of operation of any unit, division, or subsidiary (entirety or piecemeal)	Within 12 hours *
3.	Capacity addition or product launch.	Within 12 hours *
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Within 24 hours
5.	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.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
6.	Disruption 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.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the listed entity.	Within 24 hours
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.	Within 24 hours
9.	Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.	Within 24 hours
10.	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours *
11.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.	Within 12 hours *
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours *
C.	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.	Within 24 hours
D.	Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.	Timeline as specified by the Board.

* **Note:** In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities then such amendment(s), clarification(s), circular(s) etc shall prevail upon the aforesaid timelines.