
INTERTEC POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

As originally approved by the Board of Directors in their meeting held on July 24, 2018

Reviewed on May 30th 2022

1. TITLE & OBJECTIVE:

- a) This policy is titled as **“INTERTEC Policy on Determination of Materiality of Events”**.
- b) The Policy is framed in accordance with the requirements of the Regulation 30 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Objective of the Policy is to determine materiality of events or information relating to the Company and to ensure that such information is adequately disseminated in pursuance of the Regulations and to provide an overall governance framework for such determination of materiality.

2. APPLICABILITY

This Policy shall be applicable to all the events relating to the Company as and when they fall under the criteria as mentioned in Clause 5 of this Policy.

This Policy shall be read with Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information formulated and adopted by the Company to lay down the procedures and practical guidelines that would be followed by the Company for the consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive Information.

3. DEFINITION

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

“Board of Directors” or **“Board”** shall mean the Board of Directors of INTERTEC Technologies Ltd., as constituted from time to time.

“Company” shall mean INTERTEC Technologies Ltd.

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

“Listing Agreement” shall mean an agreement that is to be entered into between a recognised stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015;

“Material Event” or “Material Information” shall mean such event or information as set put in the Schedule or as may be determined in terms of Clause 5 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly;

“Policy” shall mean this Policy on the criteria for determining Materiality of events or information as amended from time to time;

“Regulations” shall mean Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof;

“Schedule” shall mean Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, Listing Agreement, Regulations or any other applicable law or regulation to the extent applicable to the Company.

4. AUTHORITY TO DETERMINE MATERIALITY OF EVENTS

The Chief Financial Officer and Company Secretary, or any other person as the Board may advice from time to time, are jointly authorised to determine materiality of an event/ information and to make disclosures to Stock Exchange(s). Contact details of such authorised personnel have been disclosed to the stock exchange(s) and also available on Company’s website.

5. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

- I. Certain information is *per se* Material Information as defined in the Regulations and Company shall make disclosure of such events as specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality. The same have been enclosed as Annexure – A for reference:
- II. Besides *per se* Material Information, the listed entity shall make disclosure of events specified in Para B of Part A of Schedule III (enclosed as Annexure B), subject to the application of the guidelines for determining materiality of an event/ information:

Quantitative Criteria calculated based on audited financial statements of the last audited financial year, would mean event/ information where the value involved or the impact:

a) exceeds 7.50 percent of the gross turnover, or

b) exceeds 7.50 percent of the net worth

whichever is lower

Qualitative Criteria: would mean:

- a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already made available publicly;
- 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; and
- c) any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

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 in 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, as stated under Para C of Part A of Schedule III of the Listing Regulations, be disclosed as may be advised from the Board from time to time.

IV. The Company shall make disclosure of any events or information which, in the opinion of the Board of Directors of the Company, is material. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure.

6. GUIDANCE ON WHEN AN EVENT/INFORMATION CAN BE SAID TO HAVE OCCURRED

In certain instances, the occurrence of material event/information would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc., it would depend upon the timing when the Company became aware of the event/information.

The events/information can be said to have occurred when the Company becomes aware of the events/ information, or as soon as, an officer of the entity 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 Companies Act, 2013 and shall also include the promoter of the Company.

7. DISCLOSURE OF EVENTS OR INFORMATION

a) 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 twenty-four (24) hours from the occurrence of such event or information to in the following manner:

- i. inform the stock exchanges on which the securities of the Company are listed;
- ii. upload on the corporate website of the Company.

In case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall along with such disclosure(s) provide an explanation for the delay.

Disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within thirty minutes of the conclusion of the board meeting.

b) The Company shall make the disclosures of events/ information as specified in Annexure B based on application of guidelines for determining Materiality as per Clause 5 of the Policy.

The Company shall make disclosures updating the material developments pertaining to material events on a regular basis, till such time the event is resolved/closed, with relevant explanations. The Company shall also provide specific and adequate reply to all queries raised by the Stock Exchanges with respect to any event/information. The Company may on its own initiative, confirm or deny any reported event or information to Stock Exchanges.

All the above disclosures will be hosted on the website of the Company for a minimum period of five years and thereafter archived in accordance with the Company's policy for Preservation and Archival of Documents.

c) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

8. COMMUNICATION AND DISSEMINATION OF THE POLICY

This Policy shall be posted on the Intranet and the web-site of the Company.

9. AMENDMENTS

The Board may subject to 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.

Events which shall be mandatorily disclosed without any further consideration of the guidelines for materiality:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the Company or any other restructuring.

Explanation. - 'Acquisition' shall mean,-

- (i) acquiring control, whether directly or indirectly; or,
- (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -

(a) the Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;

(b) there has been a change in holding from the last disclosure and such change exceeds two percent of the total shareholding or voting rights in the said company.

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.;

3. Revision in credit rating(s);

4. Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange(s), within 30 minutes of the closure of any meeting held to consider the following:

a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;

b) any cancellation of a dividend with reasons therefor;

c) the decision on buyback of securities;

d) the decision with respect to fund raising proposed to be undertaken;

e) increase in capital by issue of bonus shares through capitalization of reserves including the date on which such bonus shares shall be credited/dispatched;

f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits which may be to subscribed to;

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- g) short particulars of any other alterations of capital, including calls;
 - h) financial results;
 - i) decision on voluntary delisting by the Company from stock exchange(s).
5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that they impact management and control of the company), 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;
 6. Fraud/defaults by a Promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or a Promoter;
 7. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer;
- (7A) In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- (7B) Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:
- i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges.
 - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iii. The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
8. Appointment or discontinuation of share transfer agent;
 9. Corporate debt restructuring;
 10. One-time settlement with a bank;
 11. Reference to BIFR and winding-up petition filed by any party /creditors;
 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 Company;
 13. Proceedings of Annual and extraordinary general meetings of the Company;
 14. Amendments to memorandum and articles of association of Company, in brief;

15. Schedule of Analyst or institutional investor meets and presentations on financial results made by the Company to analysts or institutional investors.

Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:

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 the business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-ups, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal);
3. Capacity addition or 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 the normal course of business and revision(s) or amendment(s) or termination(s) thereof;
6. Disruption of operations of any one or more units or divisions of the Company due to a natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.;
7. Effect(s) arising out of change in the regulatory framework applicable to the Company;
8. Litigation(s) / dispute(s) / regulatory action(s) with their possible impact;
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
10. Options to purchase securities including any ESOP/ESPS Scheme;
11. Giving of a guarantees or an 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/ 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.