



## POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

### **I. Background:**

In view of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") as amended from time-to-time, the policy has been framed by the Board of Directors ("**Board**") of Balaji Telefilms Limited (hereinafter referred to as "**the Company**") at its meeting held on March 05, 2016 with the objective of determining materiality of events or information and making disclosures thereof.

### **II. Objective:**

- To determine the materiality of event/information for the purpose of disclosure to stock exchanges as required under SEBI Listing Regulations.
- To ensure that the Information disclosed by the Company is adequate, accurate, timely and transparent.
- To ensure that all investors have access to important information that may affect their investment decisions.
- To assist the relevant employees of the Company in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, in terms of sub-regulation (5) of Regulation 30 of SEBI Listing Regulations.

### **III. Type of Information:**

- a) Events or Information that is deemed to be material and are to be disclosed without any application of guidelines for materiality are as specified under Para A of Part A of Schedule III of the Listing Regulations, as amended from time-to-time, and are specified in [Annexure I](#) to this Policy.
- b) Events or Information that is to be disclosed based on materiality principle are specified under Para B of Part A of Schedule III of the Listing Regulations, as amended from time-to-time, and are specified in [Annexure II](#) to this Policy.
- 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 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.

### **IV. Criteria for determining Materiality:**

Materiality must be determined on a case-to-case basis depending on specific facts and circumstances relating to the Information/Event, basis the criteria(s) given hereinbelow:



1. The following **qualitative criteria** will be applicable for determining materiality of Event or Information:

The omission of an event or information, which is likely to:

- Result in discontinuity or alteration of an event or information already available publicly; or
- Result in significant market reaction if the said omission came to light at a later date;

2. The following **quantitative criteria** will be applicable for determining materiality of Event or Information specified in Para B of Part A of Schedule III and set out in Annexure II to this Policy:

The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- 2% of Turnover, as per the last audited consolidated financial statements of the Company;
- 2% of Net Worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
- 5% of the Average of Absolute Value of Profit or Loss After Tax, as per the last three audited consolidated financial statements of the Company.

The above thresholds shall be determined based on the latest audited consolidated financial statements of the Company.

3. **General criteria**: If in the opinion of the Board, the event/information ought to be disclosed, despite there being no statutory requirement.

## V. Obligations of Key Managerial Personnel (KMP) and Senior Management:

1. **Responsibility of Senior Management Personnel**:

- All Senior Management Personnel of the Company shall identify, within their respective functional area(s), any potential material event or information based on Para 3 of this Policy and promptly intimate the same to the Group CFO and Company Secretary.
- No senior management personnel shall make any announcement or communication through social media intermediaries or mainstream media regarding any potential material event or information, as defined in Para 3 of this Policy, without consulting the CFO and Company Secretary.
- In case any Senior Management Personnel requires any assistance in identification of any potential event or information as material for the purpose of this Policy, they shall consult the CFO and Company Secretary.



2. KMPs authorized to make Disclosure: The Board of the Company has authorized following KMP's to determine the materiality of an event or information and to make timely disclosures:

- Mrs. Shobha Kapoor- Managing Director
- Group Chief Executive Officer, if any
- Mr. Sanjay Dwivedi - Group COO and Group CFO
- Ms. Tannu Sharma - Company Secretary

Following are the powers and responsibilities of KMP's for determining the material event/information:

- Immediately upon receipt of any such information, review & assess if such event/information may qualify as material and may require disclosure, on the basis of facts and circumstances prevailing at a given point of time.
- Determine the appropriate time at which the disclosures are to be made to the Stock Exchanges based on actual time of occurrence of an event or information.
- Disclose developments that are material in nature on regular basis.

#### VI. **Timeline and Manner of making disclosure(s)**

The timeline for making disclosures under this Policy shall be:

- **30 minutes** from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken;
- **12 hours** from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- **24 hours** from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

All disclosures pursuant to this Policy shall be made in manner compliant with the SEBI Listing Regulations, as amended from time-to-time.

In case an event or information is required to be disclosed in terms of Regulation 30 of SEBI Listing Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

#### VII. **Amendments:**

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Listing Regulations, Act or any law for the time being in force. 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.

*Note: This Policy was last updated by the Board at its meeting held on August 10, 2023.*

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*Annexures: The below Annexures forms an integral part of the Policy:*

*[Annexure I](#): Mandatory Disclosures Events / information deemed to be material*

*Annexure II: Materiality-based Disclosures Events / information based on criteria of materiality*



## ANNEXURE I

### Events which shall be disclosed without any application of the guidelines for materiality:

Para	Events
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 Company, sale of stake in the associate company of the Company or any other restructuring.
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.	New Ratings(s) or Revision in Rating(s).
4.	Outcome of Meetings of the board of directors
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 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.
5A.	<p>Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company 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 Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements:</p> <p>Provided that such agreements entered into by the Company 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 Company or they are required to be disclosed in terms of any other provisions of the Listing Regulations.</p>
6.	Fraud or defaults by the Company, 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.
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.



Para	Events
7A.	In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor.
7B.	Resignation of independent director including reasons for resignation.
7C.	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director.
7D.	In case the Managing Director or Chief Executive Officer of the Company 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).
8.	Appointment or discontinuation of share transfer agent.
9.	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.
10.	One time settlement with a bank.
11.	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.
14.	Amendments to memorandum and articles of association of the Company, in brief.
15.	(a) Schedule of analysts or institutional investors meet and presentations made by the the Company 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.
16.	Events in relation to the Corporate Insolvency Resolution Process (CIRP) of a listed corporate debtor under the Insolvency Code.
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 the Company: (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 Company along with comments of the management, if any.
18.	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of the Company, in relation to any event or information which is material for the Company entity in terms of regulation 30 of Listing Regulations and is not already made available in the public domain.



Para	Events
19.	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, 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;
20.	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, 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.
21.	Voluntary revision of financial statements or the report of the board of directors of the Company under Section 131 of the Companies Act, 2013.



## ANNEXURE II

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

Para	Events
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division
2.	Any of the following events pertaining to the Company: (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)
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) 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 of operations of any one or more units or division of the Company due to 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.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
9.	Frauds or defaults by employees of the Company which has or may have an impact on the Company.
10.	Options to purchase securities including any ESOP/ESPS Scheme.
11.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.