

BLB LIMITED

POLICY ON DETERMINATION OF MATERIALITY

(Effective from 14th July, 2023)

[Reviewed & Amended by the Board of Directors in its meeting held on 29th June, 2023]

1. Preamble

Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), requires a listed entity to frame a policy for determination of materiality of events/ information for disclosure to Stock Exchanges, based on the criteria specified in the Listing Regulations.

Accordingly, the Board of Directors (the "Board") of BLB Limited (the "Company" or "BLB"), has adopted the below mentioned policy and procedures with regard to determination of Material Event(s).

On 14th June, 2023, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 ("LODR 2023 Amendment") which shall come into force on 14th July, 2023. Under the said LODR 2023 Amendment, SEBI has inter alia amended Regulation 30 of the Listing Regulations that deals with disclosure of events or information by a listed entity. Under the LODR 2023 Amendment, Regulation 30(4)(i) that sets out the criteria for determination of materiality of events/ information specified in Para B of Part A of Schedule III, has been amended.

In view of the aforesaid, this Policy has been amended by the Board of Directors of the Company in accordance with the provisions of LODR 2023 Amendment.

2. Purpose

To determine the Material Event(s) of the Company and to inform the Stock Exchange(s) well in time of occurrence of such events.

The objective of the Policy is:-

- a) To assist the Relevant Employees and Relevant Persons in identifying any potential material event or information and reporting the same to the Managing Director, Chief Financial Officer or the Company Secretary of the Company, who have been authorized by the Board of Directors of the Company for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) where the securities of the Company are listed ("Stock Exchanges")
- b) To assist and guide the Authorised KMPs in determining materiality of the events or information and for making necessary disclosures to the Stock Exchanges, as per Regulation 30 of the Listing Regulations.

This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges.

3. Applicability

This Policy shall be applicable to all events in the Company, as and when they come under the criteria enumerated in the Policy.

This amended Policy will be effective from 14th July, 2023.

4. Definitions

Unless the context otherwise requires, words and expressions used in this policy shall have the same meaning as defined in the SEBI Listing Regulations, and if not defined therein, then as per the Companies Act, 2013 or the Securities Contracts (Regulation) Act, 1956 or the Depositories Act, 1996 and/or the rules and regulations made thereunder, or any other Act and/or applicable laws or any statutory modification or re-enactment thereto, as the case may be.

5. Disclosure of Events or Information to Stock Exchanges

- 1) The events or information specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material and shall be disclosed by the Company to the Stock Exchanges, without the application of any materiality thresholds specified in this Policy. *(These events as specified by SEBI are listed in Annexure A to this Policy)*
- 2) Any other event or information viz. major development that is likely to affect the business of the Company significantly, in the opinion of the Board of the Company, shall be disclosed to the Stock Exchanges.
- 3) The events or information specified in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed to the Stock Exchanges based on application of the materiality criteria, as laid out in Clause 6 of this Policy. *(These events as specified by SEBI are listed in Annexure B to this Policy)*
- 4) In case where an event occurs or an information is 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 the Company as determined by the Board of the Company or Authorized KMPs in accordance with Clause 6.4 of this Policy, the Company is required to make adequate disclosures in regard thereof.
- 5) The Company may make disclosures of event/ information as specified by SEBI from time to time.

6. Criteria for determination of materiality of events/ information

The Company shall determine an event or information specified in Para B of Part A of Schedule III of the Listing Regulations to be material if:

- 1) the omission of such event or information, is likely to result in discontinuity or alteration of event or information already available publicly; or
- 2) the omission of such event or information, is likely to result in significant market reaction if the said omission came to light at a later date; or
- 3) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - a) 2% (two percent) of turnover, as per the last audited consolidated financial statements of the Company;
 - b) 2% (two percent) 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;
 - c) 5% (five percent) of the average of absolute value of profit or loss after tax, as per the last 3 (three) audited consolidated financial statements of the Company.

Provided that in the event the above stated criteria is updated consequent to any amendments in the Listing Regulations, the same shall be brought to the notice of the Board.

- 4) Where the criteria specified above in sub-clauses 6.1, 6.2 and 6.3 is not applicable, an event or information may be treated as being material, if in the opinion of the Board of the Company or the Authorised KMPs, the event or information is considered material.

7. Persons Responsible for Disclosure

The Whole Time Director, Chief Financial Officer and Company Secretary of the Company are severally authorized for the purpose of determining materiality of an event or information based on application of this policy and guidelines for materiality as defined in this policy and making disclosures to the stock exchanges.

8. Timelines for Disclosures to the Stock Exchanges

1. The Company shall first disclose to the Stock Exchange(s) all events or information which are material in terms of the provisions of this Policy and Regulation 30 of the Listing Regulations, as soon as reasonably possible and in any case not later than the following:
 - a. 30 (thirty) minutes from the closure of the Board meeting in which the decision pertaining to the event or information has been taken;
 - b. 12 (twelve) hours from the occurrence of event or information, where the event or information is emanating from within the Company;
 - c. 24 (twenty four) hours from the occurrence of event or information, where the event or information is not emanating from within the Company.
2. Other disclosures with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.
3. In case the disclosure is made after the timelines specified under Regulation 30, the Company shall, along with such disclosure provide the explanation for the delay.

9. Disclosures on the Website

The Company shall within 2 working day disclose on its website all such events/ information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy/ process followed by the Company.

10. Review and Amendments to the Policy

This Policy shall be reviewed on an annual basis by the Board. The KMP authorized under this Policy may review the Policy from the perspective of the Listing Regulations and determine the events/ information for disclosure as may be amended by SEBI from time to time. All such amendments will be informed to the Board and the approval of the Board will be sought to align the policy in line with the Listing Regulations.

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.

By the Order of Board of Directors

**Sd/-
Anshul Mehra
Executive Director**

**Date: 29th June, 2023
Place: New Delhi**

Annexure-A

Event / Information to be disclosed without applying Guidelines for Determining Materiality of Events / Information as prescribed in Para A of Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(The amendments issued by SEBI on June 14, 2023 are highlighted in bold for ease of reference)

1. "Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or 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 associate company** of the listed entity or any other restructuring.

Explanation (1) - For the purpose of this sub-paragraph, the word 'acquisition' shall mean

- i) acquiring control, whether directly or indirectly; or
- ii) acquiring or **agreement to acquire shares or voting rights in a company, whether existing or to be incorporated**, whether directly or indirectly, such that –
 - a. the listed entity 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 made under sub clause of clause (ii) of the Explanation to this sub-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or
 - c. **the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.**

Explanation (2) - For the purpose of this sub-paragraph, "sale or disposal of subsidiary" and "sale of stake in associate company" shall include

- i) **an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or**
- ii) **an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in subclause (c) of clause (i) of sub-regulation (4) of regulation 30.**

Explanation (3) - For the purpose of this sub-paragraph, "undertaking" and "substantially the whole of the undertaking" shall have the same meaning as given under section 180 of the Companies Act, 2013."

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 Rating(s)** or Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the 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 dividend with reasons thereof;
 - 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 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 to subscribe to;
 - g) short particulars of any other alterations of capital, including calls;
 - h) financial results;
 - i) decision on voluntary delisting by the listed entity from stock exchange(s).
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 Bank), 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. **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.

Explanation: For the purpose of this clause, the term "directly or indirectly" includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner."

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** of the listed entity, whether occurred within India or abroad:

For the purpose of this sub-paragraph:

- i) **'Fraud'** shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- ii) **'Default'** shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity."

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), **Senior Management**, Auditor and Compliance Officer.

- 7A. In case of resignation of the auditor, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed to the stock exchanges as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor.
- 7B. In case of resignation of an independent director, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges:
- (i) Detailed reasons for the resignation of independent directors as given by the said director.
 - (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 to the stock exchanges along with the detailed reasons as specified in point (i) above.
- 7C. **In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.**
- 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)."**
8. Appointment or discontinuation of share transfer agent.
9. Resolution plan/ Restructuring in relation to loans/ borrowings from banks/ financial institutions including the following details:
- (i) Decision to initiate resolution of loans/ borrowings;
 - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of Resolution Plan;
 - (iv) Implementation of Resolution Plan;
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
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 listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of the listed entity, in brief.
15. (a) Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet)" shall be inserted and presentations made by the listed entity to analysts or institutional investors.

Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

- (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:
- (i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
 - (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.
16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - f) Appointment/ Replacement of the Resolution Professional;
 - g) Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - i) Number of resolution plans received by Resolution Professional;
 - j) Filing of resolution plan with the Tribunal;
 - k) Approval of resolution plan by the Tribunal or rejection, if applicable;
 - l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - (i) Pre and Post net-worth of the company;
 - (ii) Details of assets of the company post CIRP;
 - (iii) Details of securities continuing to be imposed on the companies' assets;
 - (iv) Other material liabilities imposed on the company;
 - (v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - (vi) Details of funds infused in the company, creditors paid-off;
 - (vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - (viii) Impact on the investor – revised P/E, RONW ratios etc.;
 - (ix) Names of the new promoters, 428[key managerial personnel], if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
 - (x) Brief description of business strategy
 - m) Any other material information not involving commercial secrets.
 - n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
 - o) Quarterly disclosure of the status of achieving the MPS
 - p) The details as to the delisting plans, if any approved in the resolution plan
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 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.

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.**

Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

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;

along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;
- ii. nature and details of the action(s) taken, initiated or order(s) passed;
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

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;

along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;**
- ii. nature and details of the action(s) taken, initiated or order(s) passed;**
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;**
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;**
- v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.**

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.”

Annexure-B

Para B, C & D of Part A of Schedule III of the Listing Regulations 2015

- B**
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:
 - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - (b) adoption of new line(s) of business; or
 - (c) closure of operation of any unit, division or subsidiary (in entirety or in 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, revision(s) or amendment(s) and termination(s) thereof.
 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.
 7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
 8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
 9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
 10. Options to purchase securities including any ESOP/ ESPS Scheme.
 11. Giving of guarantees or indemnity or becoming a surety by whatever named 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.
- 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.
- D.** Without prejudice to the generality of para (A), (B) and (C) of Part -A of Schedule III of the Listing Regulations, the listed entity may make disclosures of event/ information as specified by the Board from time to time.