

Rungta Irrigation Limited



An ISO 9001:2008 Certified Company

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS FOR DISCLOSURE TO STOCK EXCHANGES

This version of policy for determination of materiality of events for disclosure to stock exchanges is amended as per applicable laws as on 13th February, 2025 effective from 13th February, 2025.

Table of Contents

1. INTRODUCTION	01
2. OBJECTIVE	01
3. MATERIAL EVENTS AND INFORMATION	01
4. CRITERION FOR DETERMINATION OF MATERIALITY	01
5. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION	02
6. DISCLOSURE TIMELINES	02
7. AUTHORITY	03
8. DISCLOSURE PROCESS	03
9. AMENDMENT	03

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS FOR DISCLOSURE TO STOCK EXCHANGES

INTRODUCTION

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, The Board of Directors (the “Board”) of Rungta Irrigation Limited (the “Company”) has adopted the following policy and procedures with regard to disclosure of information and determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy shall be known as ‘Policy for Disclosure of Event or Information and Determination of Materiality’.

OBJECTIVE

The Policy aims to provide a framework for determining materiality of events and information for the purpose of making disclosure to Stock Exchanges in terms of Regulation 30 of Listing Regulations.

MATERIAL EVENTS AND INFORMATION

- The events specified in Para A of Part A of Schedule III to the Listing Regulations shall be deemed to be material events for the purpose of disclosure to the Stock Exchanges, without application of materiality criterion given in clause 2 above.
- The Company shall disclose all such events specified in Para B of Part A of Schedule III of the Listing Regulations based on application of the guidelines for determining materiality of events or information.
- The Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Board of Directors of the Company.
- The aforesaid events and information shall be disclosed to the Stock Exchange in the manner and within the time frame as prescribed under the Listing Regulations.
- The Company shall disclose all such events or information which has been disclosed to stock exchange(s) under this regulation on its website, 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 of the Company.
- The Company shall disclose all events or information with respect to its subsidiaries which are material for the Company.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

The following criterion/ thresholds shall be considered for determination of materiality of events and information:

- a) The omission of an event or information 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:
 - (i) Two percent of turnover, as per the last audited consolidated financial statements of the Company.
 - (ii) Two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the net worth is negative;
 - (iii) 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 Company

In respect to the above, it is clarified that the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for "materiality" of the event and not for any commercial consideration.

- d) In case where the criteria specified in sub-clauses (a), (b) and (c) are not applicable, an information may be treated as being material if in the opinion of the Board of Directors of the Company, the event or information is considered material.

DISCLOSURE TIMELINES

- (a) Material Events or information shall be disclosed to the Stock Exchanges as soon as reasonably possible but not later than the following: -
 - 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.

In case the disclosure is made after the timelines provided above, the Company shall provide explanation for the delay along with the disclosure.

- (b) The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.

AUTHORITY

- The Board of Directors of the Company has authorized the Managing Director, Chief Financial Officer and Company Secretary, any two of them acting jointly, to determine the materiality of any event/ information (including that of its subsidiaries) for the purpose of disclosure to the Stock Exchanges.
- Normally, the Company Secretary shall make necessary disclosures of events or information to the Stock Exchanges under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by Chief Financial Officer or Managing Director of the Company.

DISCLOSURE PROCESS

Any event or information which is material in accordance with the criteria laid down in the para “Materiality Assessment” of this Policy shall be informed to the Authorised Person, immediately upon occurrence. Any other Event or information which is not covered under this Policy but is potentially price sensitive or is likely to result in a significant market reaction if disclosed at a later date, must also be informed to the Authorised Person for further evaluation.

The event or information shall be informed to the Authorised Person along with adequate supporting data/information with respect to the Company and / or any of its subsidiaries, to facilitate a prompt and appropriate disclosure to the Stock exchanges.

AMENDMENT

This Policy can be amended, modified or revised by the Board of Directors of the Company from time to time. In case any provisions of this Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed there under and Listing Regulations (“Statutory Provisions”), the provisions of Statutory Provisions shall prevail.