

**POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION OF
BARON INFOTECH LIMITED**

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1. BACKGROUND:

Baron Infotech Limited (hereinafter referred to as the "Company") is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company will comply with the continuous disclosure obligations as mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time.

This Policy on determination of materiality of events or information that warrant disclosure to investors has been framed in compliance with the requirements of the Listing Regulations (the "Policy").

The words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, and/ or the rules and regulations made there under shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

2. PREAMBLE:

The Company has adopted the following Policy and procedures with regard to determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of the Listing Regulations. This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

3. OBJECTIVES:

The Objectives of this policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various securities laws and any other legislations.
- b. To ensure that adequate and timely information is provided to stakeholders.
- c. To ensure that all investors have equal access to material information that may affect their investment decisions.
- d. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f.
- g. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.
- h. Communicating the principles of materiality based on which the Company shall make disclosures of events or information.

4. DEFINITIONS:

- I. **"Act"** means the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof;
- II. **"Board of Directors"** means the Board of Directors of Baron Infotech Limited;
- III. **"Company"** means Baron Infotech Limited;
- IV. **"Compliance Officer"** shall mean the Company Secretary of the Company;
- V. **"Key Managerial Personnel"** means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013;
- VI. **"Listing agreement"** shall mean an agreement that is to be entered into between a recognized Stock Exchange and the Company pursuant to the Securities and Exchange Board (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- VII. **"Listing Regulations"** means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- VIII. **"Policy"** means this policy, as amended from time to time.
- IX. **"Promoter"** shall have the same meaning as assigned in Section 2 (69) of Companies Act 2013 along with clause (za) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- X. **"Regulations"** mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or reenactment thereof.
- XI. **"Rules"** means the rules made under the Companies Act, 2013.
- XII. **"Schedule"** means Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- XIII. **"SEBI"** means the Securities and Exchange Board of India.
- XIV. **"Stock Exchange"** means a recognized stock exchange as defined under clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956.

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

5. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

- i) Events / information listed in **Annexure A** of the Regulation shall be deemed to be material events and the Company shall make disclosure of such events / information without applying any criteria of materiality.
- ii) The following criteria shall be applied for determining materiality of events / information listed in **Annexure B**:

- (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already 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) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material, if in the opinion of the Board of Directors of the Company, the event / information is considered material.

6. AMENDMENT:

The Board (including its duly constituted committees wherever permissible), shall have the power to amend any of the provision(s) of this Policy, substitute any of the provision(s) with the new provision(s) or replace this Policy entirely with a new Policy. This Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

7. SCOPE AND LIMITATION:

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations / Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

8. DISCLOSURE ON THE WEBSITE OF THE COMPANY

All such events or information which has been disclosed to stock exchanges under the Listing Regulations shall be made available on the Company's website. Such events or information shall be placed on the website of the Company for a minimum period of five years.

The Policy and the contact details of the persons authorized by the Board shall be available on the website of the Company.

Annexure A

Events which shall be disclosed without any application 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 per cent 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 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 Company 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 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 Promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or Promoter;
7. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer;
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 meet and presentations on financial results made by the Company to analysts or institutional investors.

Annexure B

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 business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, 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 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. Litigation(s) / dispute(s) / regulatory action(s) with 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 of the Company, if any;
11. Giving of guarantees or 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 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.