



POLICY ON DETERMINATION OF **MATERIALITY OF** **INFORMATION/EVENTS**

Applicable w.e.f. June 01, 2024

I. INTRODUCTION:

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015], mandates every Listed Company to formulate a Policy on Determination of Material Information/Events. Accordingly, Orissa Bengal Carrier Limited (OBCL) has framed a policy for the same and adopted it w.e.f. September 20, 2017.

Pursuant to the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 ("SEBI Circular"), dated July 13, 2023, the Board of Directors approved the "Policy on Determination of Materiality of Information/Events". This Policy has been updated based on the amendments made to Regulation 30 and Schedule III of the SEBI (LODR) Regulations, 2015.

II. PURPOSE

The objective of the Policy is to assist the employees of the Company to identify material events or information that may originate at the ground level which can be promptly escalated and reported to the authorised Key Managerial Personnel or other Officers of the Company, as specified in this Policy, for determining the materiality of the said information/event and for making necessary disclosures to the concerned authorities. The applicable provisions of the Regulation 30 read with Schedule III of the SEBI (LODR) Regulations, 2015, shall hereby be deemed to be incorporated in this Policy, by reference.

III. EVENTS DEEMED TO BE MATERIAL EVENTS

The Company shall disclose all such information/event which, in the opinion of the Board of Directors of the Company, is material and all such information/event which are specified in Para A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015 (as amended from time to time) as specified in Regulation 30(2) of the SEBI (LODR) Regulations, 2015. Disclosures to be provided to the Stock Exchanges while disclosing the Para A Events shall be in compliance with the requirements of the SEBI Regulations/Circular, as applicable.

IV. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

The Company shall disclose all material information/event as specified in Para B of Part A of Schedule III of the SEBI (LODR) Regulations, 2015 based on applicable guidelines for materiality, as specified in Regulation 30(4) of the SEBI (LODR) Regulations, 2015.

V. GUIDELINES FOR DETERMINING THE MATERIALITY OF INFORMATION/EVENTS

The Company shall consider the following criteria for determination of materiality of information/events as specified in Regulation 30(4) of the SEBI (LODR) Regulations, 2015:

- (a) the omission of an information/event which 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; or
- (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. 2% (two percent) of turnover, as per the last audited consolidated financial statements of the Company; or
 - ii. 2% (two percent) of net worth as per the last audited consolidated financial statements of the Company (except in case of arithmetic value of the net worth is negative); or
 - iii. 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.

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

In terms of the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, if 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.

Table I: Illustration for calculation of average of absolute value of profit or loss after tax

(Amount in Rs. crore)	Profit/loss after tax	Absolute value of profit/loss after tax	Average of absolute value of profit/loss after tax for the 3 years
FY 2020-21	(20)	20	$(20+50+20) / 3 = 30$
FY 2021-22	50	50	
FY 2022-23	(20)	20	

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

VI. GUIDELINES ON OCCURRENCE OF AN EVENT/INFORMATION & ITS TIMELY DISCLOSURE

The occurrence of material events/information could be either emanating from within or outside the listed entity by the Company's own accord or for reasons not in the hands of the Company. It can be categorized as under:

- (a) depends upon the stage of discussion, negotiation or approval; and
- (b) in case of natural calamities disrupting operations etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under clause (a), the events/information can be said to have occurred upon receipt of approval of the Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval. Approvals other than final approvals, such as in-principle approvals, exploratory approvals etc. will not require disclosure under this Code.

In respect of the events under clause (b), 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. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

VII. AUTHORIZE KEY MANAGERIAL PERSONNEL (KMP) DETERMINATION OF MATERIALITY OF EVENT/INFORMATION FOR MAKING DISCLOSURES TO STOCK EXCHANGE

The Board of Directors of the Company has severally authorized the following Officials for determining the materiality of the event or information and making disclosures to the stock exchange(s) pursuant to the applicable provisions of the Regulation 30 of the SEBI (LODR) Regulations, 2015:

Sr. No.	Name of the Officer	Designation
1.	Mr. Ravi Agrawal	Managing Director
2.	Ms. Muskaan Gupta	Company Secretary & Compliance Officer

VIII. DISCLOSURE

All events/information identified as material in line with the applicable provisions of the SEBI (LODR) Regulations, 2015 and under this Policy shall be disclosed as soon as reasonably possible and in any case not later than the following:

- (a) For all material events/information for which decision is taken in a Board meeting within 30 (thirty) minutes from the closure of the board meeting;
- (b) For all material events/information emanating from within the Company within 12 hours from the occurrence of the event or information;
- (c) For all material events/information relating to the Company but emanating from outside the Company within 24 hours from the occurrence of the event or information.

In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

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.

IX. AMENDMENT

Any amendment or modification in the applicable Laws, Rules, Regulations and Directives issued under the respective statutes and any other applicable provision relating to the Policy shall automatically be applicable to this Policy.

(d) REVIEW

This Policy shall be subject to review as may be deemed necessary and in accordance with any statutory and regulatory amendments.
