



HITECH CORPORATION LIMITED

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

(effective from 01st December, 2015)

Policy approved by the Board of Directors on 30th November, 2015
1st Amendment approved by the Board of Directors on 10th February, 2022
2nd Amendment for approval of the Board of Directors on 09th August, 2023

1. OBJECTIVE

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

EFFECTIVE DATE

This Policy is effective December 01, 2015.

2. DEFINITION

“Act” shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“Board of Directors” or **“Board”** refers to the Board of Directors of Hitech Corporation Limited, as constituted from time to time.

“Company” refers to Hitech Corporation Limited having CIN: L28992MH1991PLC168235.

“Insolvency Code” shall mean the Insolvency and Bankruptcy Code, 2016 [No. 31 of 2016]

“Key Managerial Personnel” shall mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013;

“Listed entity” shall mean an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognised stock exchange(s);

“Listing Regulation” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendment thereto and/or modification thereof from time to time, and includes any circulars, guidelines, and directions issued thereunder or in relation thereto..

“Mainstream media” shall include print or electronic mode of the following:

- i. Newspapers registered with the Registrar of Newspapers for India;
- ii. News channels permitted by Ministry of Information and Broadcasting under Government of India;

iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and

iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;

“Material Event” or “Material Information” shall mean such event or information as set out in the Schedule appended herewith or as may be determined in terms of Clause 3 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.

“Material Subsidiary” shall mean any subsidiary company of the Company which is or has been determined as a material subsidiary as per the provisions of the Regulations.

“Net worth” means net worth as defined in sub-section (57) of section 2 of the Companies Act, 2013;

“Policy” means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

“Promoter” and **“Promoter group”** shall have the same meaning as assigned to them respectively in clauses 13[(oo)] and 14[(pp)] of sub-regulation (1) of regulation 2 of the 15[Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018].

“Public” means public as defined under clause (d) of rule 2 of the Securities Contracts (Regulation) Rules, 1957;

“Quarter” means the period of three months commencing on the first day of April, July, October or January of a financial year;

“Schedule” means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Subsidiary” means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013; and as per the applicable Accounting Standards.

“Working days” means working days of the stock exchange where the securities of the entity are listed.

Any other term not defined herein shall have the same meaning as defined in the Approved by the Board of Directors in its Meeting held on 9th August, 2023, Companies Act, 2013, the Listing, Regulations or any other applicable law or regulation to the extent applicable to the Company.

3. MATERIALITY THRESHOLDS AND DISCLOSURE OF EVENTS OR INFORMATION

In terms of the Regulation 30 of the Listing Regulations, the Company is required to make disclosures of any events or information which, in the opinion of the Board of the Company, is material. Further, the events specified in Para A of Part A of Schedule III of Listing Regulations as amended from time and as per Circulars issued by SEBI from time to time are deemed to be material events and the Company is mandatorily required to make disclosure of such events.

The Company is required to make disclosure of events specified in Para B of Part A of Schedule III of Listing Regulations, as amended from time to time and as per Circulars issued by SEBI from time to time based on application of the guidelines for materiality as set out in this Policy. For disclosing the events specified in Para B of Part A of Schedule III, the Company shall consider the following criteria for determination of materiality of an event/information:

a) the omission of an event or information, 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:

(1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;

(2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;

(3) 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 listed entity;]

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 Regulation 30 of the Listing Regulations, the Company is required to make disclosures of any events or information which, in the opinion of the Board of the Company, is material. Further, the events specified in Para A of Part A of Schedule III of Listing Regulations as amended from time and as per Circulars issued by SEBI from time to time are deemed to be material events and the Company is mandatorily required to make disclosure of such events.



As specified in Para C of Part A of Schedule III of the Regulations, the Company shall promptly disclose 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 financial statements of the Company 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.

The Company shall disclose to the Stock Exchanges all such events/information which are material in terms of the provisions of Regulation 30 of the Listing Regulations, within such timeline as prescribed by the SEBI, in terms of the Listing Regulations.

The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

The Company shall disclose all events or information with respect to its Material Subsidiaries.

In case where an event occurs or information is available with the Company, which has not been indicated in Annexure A or Annexure B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

Disclosure requirements for certain types of agreements binding the Company:

(1) All agreements entered by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a listed entity or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to listing regulations shall be disclosed to the Company to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements and Company in turn shall disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.

Provided that for the agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III, the parties to the agreements shall inform the listed entity, about the agreement to which such a listed entity is not a party and the listed entity shall in turn disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.

(2) The listed entity shall disclose the number of agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III, their salient features, including

the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24.]

4. AUTHORITY TO KEY MANAGERIAL PERSONNEL FOR DISCLOSURE OF EVENTS/INFORMATION

The Managing Director, Wholetime Director, Chief Financial Officer (“CFO”) and Company Secretary of the Company shall severally be responsible and authorised to determine Materiality of any event or information considering its nature and disclosure after taking into account the various provisions of the Listing Regulations and this Policy and Managing Director, Wholetime Director, CFO and Company Secretary are severally responsible for the purpose of ensuring disclosures are made to stock exchange(s), subject to the provisions of this Policy.

The contact details of shall be disclosed and updated from time to time to the stock exchange(s) and as well as maintained on the Company’s website.

5. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

6. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 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.

7. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company.