



POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

1. PREFACE

The Policy for Determination of Materiality of Events or Information (the “Policy”) has been framed in accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) to determine materiality of events or information based on the criteria specified under Regulation 30 of the SEBI Listing Regulations and to ensure that the Company shall make disclosure of such events or information to the Stock Exchanges in a timely manner.

The Board of the Company has adopted this Policy and modified this policy to comply the requirements of amendments to the SEBI Listing Regulations. The revised policy has been adopted by the Board of Directors at their meeting held on February 12, 2024.

2. DEFINITIONS

- a) “Act” means the Companies Act, 2013.
- b) “Board” means the Board of Directors of the Company.
- c) “Company” means TARC Limited.
- d) “Stock Exchanges” means BSE Limited and National Stock Exchanges of India Limited, where shares of the Company are listed.

3. DISCLOSURE OF MATERIAL EVENTS OR INFORMATION

The Company shall make disclosures of any events or information which, in the opinion of the board of directors is material. The events or information to be disclosed to the Stock Exchanges are broadly divided in following categories:

- i. Events or information as specified in Para A of Part A of Schedule III of the SEBI Listing Regulations are deemed to be material events or information and the Company shall make disclosure of such events to the Stock Exchanges.
- ii. The Company shall make disclosure of events or information as specified in Para B of Part A of Schedule III of the SEBI Listing Regulations to the Stock Exchanges, based on application of the guidelines for materiality, as specified under heading ‘CRITERIA FOR DETERMINATION OF MATERIALITY’.
- iii. 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.

- iv. Without prejudice to the generality of clauses (i), (ii) and (iii) above, the Company may make disclosures of event/information as specified by the Securities and Exchange Board of India from time to time.
- v. all events or information with respect to subsidiaries which are material for the Company.

4. CRITERIA FOR DETERMINATION OF MATERIALITY

The Company shall consider the following criteria for determination of materiality of events/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 Company;
 - (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;
 - (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 Company;

In case where the criteria specified above is not applicable, an event or information may be treated as being material if in the opinion of the board of directors or the key managerial personnel of the Company authorised for the purpose of determining materiality, the event or information is considered material.

5. DISCLOSURE TIMELINES

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 as soon as reasonably possible and in any case not later than the following:

- (i) thirty 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;
- (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (iii) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company;

Disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

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

The Company shall, with respect to disclosures referred to in regulation 30 of the SEBI Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

6. AUTHORISED PERSONS FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION

The following key managerial personnel of the Company are authorized by the Board for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the Stock Exchanges under regulation 30 of the SEBI Listing Regulations:

- (a) Managing Director;
- (b) Chief Financial Officer; and
- (c) Company Secretary.

The contact details of above mentioned key managerial personnel shall be disclosed to the stock exchanges as well as on the Company website.

7. OTHER

- (a) The Policy shall be disclosed on the website of the Company.
- (b) Any employee of the Company shall consider the criteria as specified under heading 'CRITERIA FOR DETERMINATION OF MATERIALITY' for identifying any potential material event or information. He/she may also discuss the same with the Chief Financial Officer or Company Secretary of the Company.
- (c) Any employee of the Company who identify any potential material event or information, shall report the same to the key managerial personnel authorised by the Company for determining materiality of an event or information and for making the necessary disclosures to the stock exchange(s).
- (d) The Company shall disclose on its website all such events or information which has been disclosed to Stock Exchanges under regulation 30 of the SEBI Listing Regulations, 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, as disclosed on its website.
- (e) In case an event or information is required to be disclosed by the Company in terms of the provisions of regulation 30 of the SEBI Listing Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.
- (f) The Company shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any event or information. The Company may on its own initiative also, confirm or deny any reported event or information to the Stock Exchange(s).

8. SCOPE LIMITATION

In case any provision(s) of this Policy is contrary to or inconsistent with the provision(s) of SEBI Listing Regulations or other applicable laws, the provision(s) of SEBI Listing Regulations or other applicable laws shall prevail.

9. AMENDMENT

The Board of the Company may amend / modify / revise / update this this Policy in whole or in part, at any time, subject to any subsequent modification(s) / amendment(s) to SEBI Listing Regulations or other applicable laws, if any.

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