

BLS INTERNATIONAL SERVICES LIMITED

**POLICY ON DETERMINATION AND
DISCLOSURE OF MATERIALITY OF
EVENTS**

[Last amended on February 11, 2025]



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1. Scope and Purpose

The Securities Exchange Board of India, on 2nd September, 2015, notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") which came into effect on December 1, 2015, which is amended from time to time. By virtue of the said Regulations, 2015, **BLS INTERNATIONAL SERVICE LIMITED** (the "Company") recognizes the need to frame a policy to determine the material events by testing the materiality as required under Regulation 30 for the purpose of proper, sufficient and timely disclosure of the same to the Stock Exchanges where the Company's equity shares are listed (herein after called "the Exchange").

This Policy for Determination of Materiality (the 'Policy') has been adopted by the Board of Directors of the Company.

2. Applicability

This Policy shall be applicable to all events in the Company, as and when they come under the criteria enumerated by the SEBI, from time to time.

3. Definitions

- a) **"Board"** shall mean the Board of Directors of the Company;
- b) **"Company"** shall mean BLS International Services Limited;
- c) **"Compliance Officer"** shall mean the Company Secretary of the Company;
- d) **"Authorized Key Managerial Personnel (KMP)"** means the one or more Key Managerial Personnel as authorized by the Board of Directors of the Company for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under the regulation 30 (5) of the SEBI (LODR) Regulations, 2015.
- e) **"Normal trading hours"** means the time period for which the recognized stock exchanges are open for trading for all investors
- f) **"Officer"** means as assigned to the term in clause (59) of Section 2 of the Companies Act, 2013 and shall include Promoters of the Company.
- g) **"SEBI (LODR) Regulations, 2015"** mean SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 which includes modifications/amendments/clarifications/circulars/Industry Standards, thereof.
- h) **"Relevant Employees"** shall include Head of the respective Department who deals with or comes into possession of potential material events or information in the course of the performance of his/her duties.

The words and expressions used but not defined herein shall have the same meaning as assigned to those words and expressions under the SEBI Listing Regulations. If any words and expressions is/are not defined in the Listing Regulations such words and expressions shall have the same meaning as assigned to those words and expressions under the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 or any other applicable laws or regulations, as the case may be.

4. Criteria for Determining Materiality of Events or Information

The information covered by this Policy shall include “information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions” (hereinafter referred to as “material information”) that the Company is required to disclose in a timely and appropriate manner by applying the materiality criteria for assessing and categorizing the events/ information/ transaction as Material as follows:

1. Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed without any application of the guidelines for materiality.
2. Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed based on application of materiality criteria.
3. Events or information of subsidiaries which are identified as material, by the authorized KMP, based on application of materiality criteria.

The following criteria are to be considered for determining materiality of events or information:

Materiality will be determined on a case-to-case basis depending on the facts and the circumstances pertaining to the event or 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

Note: “significant market reaction” Significant market reaction may be assessed against scrip price, as per the parameters specified by the stock exchange(s).

- c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following (hereinafter referred to as Quantitative Materiality parameters):
 - i. 2% of turnover, as per the last audited consolidated financial statements of the listed entity;
 - ii. 2% 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;
 - iii. 5% 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.

‘Expected impact in terms of value’ of an event/information, shall be computed in a manner as to the listed entity should, where applicable, shall consider the expected impact in the four ensuing quarters (including the quarter in which the event occurs if the event occurs in the first 60 days of the quarter).

While assessing whether an event exceeds the quantitative materiality thresholds, Company shall take guidance from the industry standards on which of the relevant and appropriate parameter is to be considered for determination of materiality for different types of events under Para B of Part A of Schedule III of SEBI (LODR) Regulations, 2015.

- d) In case where the criteria specified in sub-clauses (a), (b) and (c) above 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.

5. Disclosure of events/ information to the stock exchanges:

5.1 The Company shall disclose all events or information which are material in accordance with the Policy as soon as reasonably possible and in any case not later than the following:

- (i) 30 minutes from the closure of the meeting of the board of directors in which the decision pertaining to the material event or information has been taken;

Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered

- (ii) 12 hours from the occurrence of the material event or information, in case the event or information is emanating from within the listed entity;
- (iii) 24 hours from the occurrence of the material event or information, in case the event or information is not emanating from within the listed entity

Provided further that disclosure with respect to events for which timelines have been specified in/ for Part A of Schedule III of SEBI (LODR) Regulation shall be made within such timelines.

Provided that if all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8 of paragraph B of Part A of Schedule III, is maintained in the structured digital database of the Company in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the Company.

Explanation I: Disclosure of an event under Para B of Part A of Schedule III would be required to be made if the gross amount involved in such event exceeds the materiality threshold. However, Company may disclose details of indemnity and insurance claims which could mitigate the expected impact, if any, in respect of such event to provide more context while making the disclosure.

Explanation II : The timelines stipulated above for making disclosures to the stock exchanges would begin once an officer of the Company becomes aware of the occurrence of an event / information, through credible and verifiable channels of communication

- 5.2 Provided further that in case the disclosure is made after the timelines specified above of the occurrence of such event/ information, the Company shall, along with such disclosure(s) provide an explanation for the delay.

However, Company can provide **defence** for non-compliance with the timelines specified above if there is any reasonable delay on account of:

- (i) a force majeure event,
- (ii) time taken for completion of prima facie assessment of materiality for certain relevant events (such as orders, fraud, winding-up petitions, action initiated, claims made against listed entity, etc.), or
- (iii) information/ event relating to subsidiary, director, key managerial personnel, senior management or promoter (where the company is not directly involved), etc.

Even in such events, explanation for the delay should be provided along with the disclosure of the event / information

- 5.3 The Company shall disclose to the stock exchange(s) material updates on the events/ information disclosed under this Policy till such time the event is resolved/ closed, with relevant explanations.

All the disclosures made to the Stock Exchange under this Policy shall also be disclosed on the Website of the Company and the same shall be hosted for a minimum period of five years and thereafter as per the archival policy of the Company.

6. Mechanism to be adopted for Identifying and reporting potential material event/information by relevant employees

- 6.1 During the course of performance of one's role, the Relevant employee/(s) shall be responsible for identifying pertinent events/information as specified by the SEBI, from time to time, which has potential to be classified as material events/information as per the policy.
- 6.2 Upon identification of potential material events/information, the relevant employee shall promptly report the details of such potential material events/information to the Authorized KMP.
- 6.3 The details so submitted shall be authentic and comprehensive to enable the Authorized KMP to make informed decision/ take appropriate actions.
- 6.4 The Relevant Employees should exercise necessary diligence to ensure confidentiality of the details being submitted/so submitted to the Authorized KMP.
- 6.5 The Authorized KMP will then ascertain the materiality of such event(s) or information based on the above guidelines.
- 6.6 On completion of the assessment, the KMP(s) shall, if required, make appropriate disclosure(s) to the Stock Exchanges.

7. Authority to make alterations

This Policy is framed based on the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any subsequent amendments to the SEBI (LODR) Regulations, 2015 which makes any of the provisions in the Policy inconsistent, the provisions of the SEBI (LODR) Regulations, 2015 shall prevail and the provisions in this Policy would be modified in due course to make it consistent with the law.