

	Finance Policy		Doc. No.	JBMA-FIN-07
	Group Level	Legal Entity	Rev No.	00
		JBM Auto Limited	Rev Date	July 2024
	POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION		Rev Frequency	As & When Required
			Doc Owner	Secretarial Department
			Approved By	Board of Directors

[POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION]

1. BACKGROUND

The Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as “SEBI (LODR) Regulations”] mandates that every listed company shall make disclosures of any events or information which, in the opinion of the Board of Directors of the Company, is material as well as any price sensitive information. The Company shall frame a policy for determination of materiality of events or information for disclosure, based on the specified criteria duly approved by its board of directors, which shall be disclosed on its website.

As per Regulation 30 of SEBI (LODR) Regulations, the Board of Directors of the Company shall also authorize one or more Key Managerial Personnel (KMP) for the purpose of determining materiality of an event or information for the purpose of making disclosures.

In view of the same, this “Policy for determination of Materiality of Events or Information” of JBM Auto Limited (“the Company” or “JBMA”) has been framed considering that stakeholders of the Company need timely, sufficient & reliable information and communication in a coherent manner regarding material events that matters / makes influence on the Company as also the regulatory requirements of Regulation 30 of the SEBI (LODR) Regulations. This policy is effective from 1st December, 2015 and SEBI (LODR) Regulations and now amended as per the amendment in the SEBI (LODR) Regulations with effect from 17th July, 2023.

2. DEFINITIONS

- i. **Authorized Key Managerial Personnel:** Authorized Key Managerial Personnel means Executive Director, Chief Financial Officer and Company Secretary of the Company, who are authorized, individually or jointly, for determining the materiality of an event or information that qualifies for disclosure and to decide the appropriate time and details of its disclosure to be made to the Stock Exchange(s).
- ii. **Compliance Officer:** Compliance Officer means "Company Secretary" of the Company.
- iii. **Material events:** Material Events means the individual transaction or arrangement which, in the opinion of the Authorized Key Managerial Personnel is significant to the operations or performance of the Company as well as any price sensitive information.
- iv. **Market Sensitive Information:** Market Sensitive Information shall mean information concerning the Company that a reasonable person would expect to have a material effect on the price or value of its equity shares or information which causes the market to maintain the price of equity shares at or about its current level when it would otherwise be expected to move materially in a particular direction, given price movements in the market generally or in the Company's sector.
- v. **Policy or This Policy:** Policy or this policy means “Policy for determination of Materiality of Events or Information”.
- vi. **Price Sensitive Information:** Price-sensitive information means any information which relates, directly or indirectly, to the Company that is not generally available and which upon becoming generally available is likely to materially affect the price of equity shares of the Company.
- vii. **Stock Exchanges:** Stock Exchanges means where the equity shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited.

viii. Securities: Securities means the Securities defined in clause (h) of Section 2 of the Securities of the Contracts (Regulations) Act, 1956

ix. Subsidiary: Subsidiary means as defined under sub-Section 87 of the Section 2 of the Companies Act, 2013.

3. INTERPRETATION

Terms that have not been defined in this policy shall have the same meaning assigned to them in the SEBI (LODR) Regulations and the Companies Act, 2013, as amended from time to time.

4. POLICY

The Company shall, as soon as reasonably possible, inform the Stock Exchange(s) of all the events or information which will have material impact on the performance/ operations of the Company, as well as any price sensitive information.

The "Authorized Key Managerial Personnel" shall be entitled to take a view on the materiality of an event or information which are qualifying for disclosure as provided in Para B of Part A of Schedule - III of the SEBI (LODR) Regulations and to decide the appropriate time at which such disclosure is to be made with the Stock Exchange(s) and details that may be disclosed in the best interest of present and potential investors.

5. REPORTING AND DISCLOSURE

Regulation 30 of SEBI [LODR] Regulations, have categorized material events and information which will have bearing on the performance/operations of the Company. The disclosures of events and information which the Company shall make to the Stock Exchange(s) as broadly categorized under these regulations are as under –

- i. **Events specified in Para A of Part A of Schedule III** of SEBI [LODR] Regulations, 2015 shall be **deemed to be material** and have to be necessarily disclosed without any application of the guideline of materiality.
- ii. **Events specified in Para B of Part A of Schedule III** should be disclosed **if considered material**.
- iii. Any other material event or information which have not been covered above shall also be disclosed to the Stock Exchanges upon application of guidelines for materiality to be determined by the Authorised Key Managerial Personnel on the basis of criteria as mentioned in Regulation 30(4).
- iv. Without prejudice to the generality of the Clause i, ii & iii above; Events/Information specified by the SEBI from time to time.

6. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS 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;
- (c) In omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - 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;
 - 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.

- (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 Company, the event or information is considered material.

Provided that any continuing event or information which becomes material pursuant to notification of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 shall be disclosed by the listed entity within 30 days from the date of coming into effect of these amendments.

7. PERSON RESPONSIBLE FOR DETERMINING THE MATERIALITY OF EVENT OR INFORMATION AND MAKING DISCLOSURE TO STOCK EXCHANGES THEREOF

Any one of the Whole Time Director or Company Secretary of the Company jointly or severally shall be responsible for determining the materiality and prompt disclosure of an event and ensuring overall compliance of this Policy:

Designation	Phone No.	Email ID
Whole Time Director	91 129 4090238	Dhiraj.mohan@jbmggroup.com
Company Secretary	91 129 4090238	Sanjeev.kumar@jbmggroup.com

8. DISSEMINATION OF INFORMATION

- (a) The policy shall be disclosed on website of the company.
- (b) The contact details of authorized Key Managerial Personnel shall be disclosed to the Stock Exchange(s) and also on the Company's website www.jbm-group.com.
- (c) The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under SEBI (LODR) 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, if any.

9. TIME LIMIT FOR DISCLOSURE OF MATERIAL EVENT OR INFORMATION

- (a) The Company shall first disclose to the stock exchange all events or information which are material in terms of the provisions of Regulation 30 of SEBI (LODR) Regulations 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:

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

Provided further that in case the disclosure is made after the timelines specified under the Regulation 30 of SEBI (LODR) Regulations, the Company shall, along with such disclosure provide the explanation for the delay.

- (b) **Updation of event/ information on regular basis** - The Company shall, with respect to disclosures referred to in Regulation 30 of the SEBI (LODR) Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- (c) In case an event or information is required to be disclosed by the Company in terms of the provisions of SEBI (LODR) 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.

- (d) **Queries by Stock Exchanges** – (i) The Company shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any events or information. (ii) The Company may, at its own initiative, also confirm or deny any reported event or information to the Stock Exchanges.

10. EVENT OR INFORMATION WITH RESPECT TO SUBSIDIARIES

The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

11. DISCLOSURE REQUIREMENTS FOR CERTAIN TYPES OF AGREEMENTS BINDING COMPANY

All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a Company 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 of Regulation 30 of the SEBI (LODR) Regulations, shall inform the Company about the agreement to which a Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements.

Provided that for the agreements that subsist as on the date of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 dated 14th June, 2023 of clause 5A to para A of part A of Schedule III of the SEBI (LODR) Regulations, the parties to the agreements shall inform the Company, about the agreement to which a Company is not a party and the Company shall disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by SEBI.

The Company shall disclose the number of agreements that subsist as on the date of aforesaid SEBI notification of Clause 5A to Para A of Part A of Schedule III of SEBI (LODR) Regulations, 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.

12. POLICY REVIEW / AMENDMENT

The Board may, from time to time, review and amend this policy so that the policy remains compliant with applicable legal requirements. The Company Secretary will keep the policy updated as per applicable statutory guidelines.
