

# **BN HOLDINGS LIMITED**

**(Formerly Arihant Tournesol Limited)**

*W.E.F AUGUST 28, 2023*

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## **POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURE OF BN HOLDINGS LIMITED**

*(Amended Policy under Regulation 30 & 30A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 and SEBI Master Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023.)*

## **A. INTRODUCTION**

Since the Equity shares of BN Holdings Limited (the “Company” or “BN Holdings”) are traded in India on the Bombay Stock Exchange India Limited (BSE) the requirements under the Securities and Exchange Board of India Regulations, (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations) and other relevant rules and statutes requires every listed entity to formulate a policy for determining ‘materiality’ of events/ information and to disclose such policy on the website of the Company. Accordingly, the same have been considered while drafting this Policy for determining Materiality for Disclosures (the “Policy”)

This Policy applies in respect of disclosure of material events occurring within BN Holdings and its subsidiaries, if any.

## **B. DEFINITIONS**

### **1. Authorised Key Managerial Personnel**

Authorised Key Managerial Personnel means Managing Director or CEO or Chief Financial Officer or Company Secretary and Compliance Officer of the Company, acting who are authorised 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).

### **2. Material Events**

Material Events means the individual transaction or arrangement which, in the opinion of the Authorised Key Managerial Personnel is significant to the operations or performance of the Company as well as any price sensitive information.

### **3. Company**

The Company or Company means “BN Holdings Limited.”

### **4. Price Sensitive Information**

“Price-sensitive information” means any information which relates, directly or indirectly, to a company that is not generally available and which upon becoming generally available is likely to materially affect the price of securities of the Company.

### **5. Policy or this Policy**

Policy or this policy means "Materiality of Event Policy".

### **6. Stock Exchanges**

Stock Exchange means the stock exchange where the securities of the Company are listed i.e. Bombay Stock Exchange (BSE).

Board of Directors, CEO, CFO, Key Managerial Personnel, Subsidiary and all other words not defined herein shall have the same meaning as assigned to those terms under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 or any other applicable laws or regulations, as the case may be.

### **C. OBJECTIVE**

The objective of this Policy is:

- (a) to ensure disclosure of any event or information which, pursuant to the regulations or this policy is material,
- (b) to determine whether an event or information is material or not, and
- (c) to ensure timely, accurate, uniform and transparent disclosure.

### **D. AUTHORISED PERSONS**

The Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company are severally / jointly authorized for the purpose of determining materiality of an event / information and for the purpose of making disclosures to stock exchange(s) under this Policy, the contact details of whom are also available on the website of the Company.

The "Authorised 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.

### **E. REPORTING AND DISCLOSURE**

Regulation 30 of SEBI (LODR) Regulations have categorised 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 categorised under these regulations are as under –

- Events in category A shall be disclosed to Stock Exchanges without any application of the guidelines for materiality i.e. these are mandatorily to be disclosed irrespective of the extent of happening of event.
- Events that have been provided in category B shall be disclosed to Stock Exchanges upon application of the guidelines for materiality to be determined by the Authorised Key Managerial Personnel on the basis of criteria as mentioned in Regulation 30(4).

- Any other material event or information as per Category C, which have not been covered under category A & Category B, 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).

Details of above events or information are provided in Annexure(s) forming part of this policy.

#### **F. MATERIALITY ASSESSMENT**

Information should be regarded as “material” if there is a substantial likelihood that a reasonable investor would consider such information important in making a decision to buy, sell, or hold a security or where such information is likely to have a significant effect on the market price of the security. Either positive or negative information may be material. In no case shall the definition of materiality be less expansive than those under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. The approach for determining materiality will be both qualitative and quantitative criteria which are outlined in this document.

**Following events would normally be regarded as “material”, although the list is not exhaustive:**

- Financial performance, financial condition, projections or forecasts;
- Known but unannounced future earnings or losses;
- Significant corporate events, such as a pending or proposed acquisition or joint venture;
- Plans to launch new products or product defects that have significant impact;
- Significant developments involving business relationships with customers, suppliers or other business partners;
- Changes in auditors as per statutory requirement or otherwise or auditor notification that the issuer may no longer rely on an audit report;
- Events regarding the Company's securities (such as repurchase plans, stock splits or changes in dividends, changes to the rights of security holders, public or private sales of additional securities or information related to any additional funding);
- Bankruptcies, receiverships or financial liquidity problems;
- Positive or negative developments in outstanding litigation, investigations or regulatory matters with significant impact on financial results;
- Any changes to the Company’s Board of Directors or the Company’s key managerial personnel and key agreements with them; or
- Any significant changes to the Company’s capital structure etc.

**For the avoidance of doubt, events listed in Para A – Part A of Schedule III of Listing Regulations shall be disclosed` without application of the criteria listed below.**

**Also for the purpose of assessing whether a particular transaction or the amounts involved in that transaction are “material” the following information will also be considered :**

- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- 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
- 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;
- Further, in case where the criteria specified aforesaid are 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:

**Disclosure requirements for certain types of agreements binding listed entities**

1. All 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 these regulations, shall inform the listed entity about the agreement to which such a listed entity 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 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.

**G. DISCLOSURE OF THE POLICY**

This Policy will be uploaded on the website of the Company.

#### **H. EVENTS/INFORMATION WITH RESPECT TO SUBSIDIARIES**

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

#### **I. REVIEW OF POLICY**

The Board of Directors will periodically review this policy and make amendments to this policy as it deems appropriate.

#### **J. LIMITATION AND AMENDMENT**

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

**Annexure-I**

**Timeline for disclosure of events specified in Part A of Schedule III of the LODR Regulations**

Para/ Sub- para	Events	Timeline for disclosure
<b>A.</b>	<b>Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):</b>	
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.	Within 12 hours *
2.	Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.	Within 12 hours *
3.	New Ratings(s) or Revision in Rating(s).	Within 24 hours
4.	Outcome of Meetings of the board of directors	Timeline as specified in sub-para 4 of Para A of Schedule III.
5.	Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
5A.	Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).

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	Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.	
6.	Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.	Within 24 hours
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	Within 12 hours * (except in case resignation); Within 24 hours (in case of resignation)
7A.	In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor.	Timeline as specified in sub-para 7A of Para A of Schedule III.
7B.	Resignation of independent director including reasons for resignation.	Timeline as specified in sub-para 7B of Para A of Schedule III.
7C.	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director.	Timeline as specified in sub-para 7C of Para A of Schedule III.
7D.	In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).	Within 12 hours *
8.	Appointment or discontinuation of share transfer agent.	Within 12 hours *
9.	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.	Within 24 hours
10.	One time settlement with a bank.	Within 24 hours
11.	Winding-up petition filed by any party / creditors.	Within 24 hours
12.	Issuance of notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.	Within 12 hours *
13.	Proceedings of annual and extraordinary general meetings of the listed entity.	Within 12 hours *
14.	Amendments to memorandum and articles of association of listed entity, in brief.	Within 12 hours *



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15.	<p>(a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.</p> <p>(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.</p>	Timeline as specified in sub-para 15 of Para A of Schedule III.
16.	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.	Within 24 hours
17.	<p>Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:</p> <p>(a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;</p> <p>(b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.</p>	<p>Within 12 hours * (if initiated by the listed entity);</p> <p>Within 24 hours (if initiated by external agency).</p>
18.	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.	Within 24 hours
19.	<p>Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:</p> <p>(a) search or seizure; or</p> <p>(b) re-opening of accounts under section 130 of the Companies Act, 2013; or</p> <p>(c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;</p>	Within 24 hours
20.	<p>Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:</p> <p>(a) suspension;</p>	Within 24 hours

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	(b) Imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called;	
21.	Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.	Within 12 hours *
<b>B.</b>	<b>Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30)</b>	
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	Within 12hours *
2.	Any of the following events pertaining to the listed entity: (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (ii) adoption of new line(s) of business; or (iii) closure of operation of any unit, division, or subsidiary (entirety or piecemeal)	Within 12 hours *
3.	Capacity addition or product launch.	Within 12 hours *
4.	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Within 24 hours
5.	Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
6.	Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the listed entity.	Within 24 hours
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.	Within 24 hours
9.	Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.	Within 24 hours
10.	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours *
11.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party.	Within 12 hours *

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12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours *
<b>C.</b>	<b>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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.</b>	<b>Within 24 hours</b>
<b>D.</b>	<b>Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.</b>	<b>Timeline as specified by the Board.</b>

\* Note: In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.