

***INTEGRA  
TELECOMMUNICATION  
AND  
SOFTWARE LIMITED  
("The Company")***

***Policy for Determination of  
Materiality of Events or  
Information***

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## 1. Objective:

- 1.1 To determine the materiality of events or information of the Company and the disclosure of such events or information to the stock exchanges in compliance with the SEBI Regulations;
- 1.2 To lay the principles for making timely and adequate disclosure of material events/information so as to enable the investors to take well informed decisions; and
- 1.3 To ensure uniformity in the Company's approach towards making disclosures or materiality of events/information.
- 1.4 To comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

## 2. Regulatory Framework

- 2.1 This Policy is framed in accordance with the requirements of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") notified on September 2, 2015 and which came into effect on December 1, 2015.
- 2.2 Accordingly, the Board of Directors of Integra Telecommunication and Software Limited ("the Company") adopted this Policy for Determination of Materiality of Events or Information ("the Policy").

## 3. Definition:

- 3.1 "**Authorised Officer**" shall mean the officer of the Company authorised under clause 6.1. of the Policy.
- 3.2 "**Board**" means the Board of Directors of the Company.
- 3.3 "**Consolidated Turnover**" shall mean the Consolidated turnover as reported in the audited consolidated financial statements of the Company for the year ended immediately preceding the determination of materiality of an event or information under this Policy.
- 3.4 "**Consolidated Net Worth**" shall mean the Consolidated net worth as reported in the audited consolidated financial statements of the Company for the year ended immediately preceding the determination of materiality of an event or information under this Policy.
- 3.5 "**Policy**" shall mean the Policy for Determination of Materiality of Events or Information.
- 3.6 "**Fraud**" in relation to affairs of the Company, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of the Company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.
- 3.7 "**Material events/information**" shall mean events/information stated as such under Regulation 30 of the SEBI Regulations read with Part A of Schedule III thereto.
- 3.8 "**The Act**" means the Companies Act 2013 together with the Rules notified there under, including any statutory modifications or re-enactments thereof for the time being in force.
- 3.9 "**The Company**" means Integra Telecommunication and Software Limited.
- 3.10 "**SEBI Regulations**" or "**Regulations**" mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

Any term, word and phrases not defined herein shall have the same meaning as defined in the Companies Act, 2013, Regulations or any other applicable law or regulation to the extent applicable to the Company.

#### 4. Principles for determining materiality of events/information

- 4.1 The Policy applies only to Material events/information specified under Part A of Schedule III to the SEBI Regulations.
- 4.2 All events/information stated in Para A of Part A of Schedule III to the SEBI Regulations (including any modification or re-enactment thereto) are deemed to be material.
- 4.3 In respect of events/information stated in Para B of Part A of Schedule III to the SEBI Regulations (as listed in **Annexure I** to the Policy), the Authorised Officer shall consider the following criteria for determination of materiality of events/information:
- a. Where criteria specified in the SEBI Regulations are not applicable, an event/information would be considered material if the impact or likely impact of the event/information on the Company meets or exceeds the quantitative threshold as mentioned below. While determining materiality, the quantitative thresholds set out below shall be applied to each event/information severally.
    - i. Events/information listed in point nos. 1 to 9 and 11 to 12 of Annexure I to the Policy, shall be considered material if the impact of the said event/information is likely to exceed 5% of the Consolidated Turnover of the Company.
    - ii. Events/information listed in point nos. 10 & 13 of Annexure I to the Policy, shall be considered material if the following threshold are breached:
      - a. In case of options to purchase securities including any ESOP/ESPS Scheme - If the number of options is 1% or more of the total issued and paid-up equity shares of the Company as on the date of the issuance of options.
      - b. Capacity Addition (in relation to the capacity expansion plan of a given manufacturing unit) - If its impact would exceed 10% of the Consolidated Net Worth of the Company.
- 4.4 In respect of events/information stated in Para C of Part A of Schedule III to the SEBI Regulations 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 specified securities of the Company to appraise its position and to avoid the establishment of a false market in such securities, the Authorised Officer shall determine the materiality of such events / information and shall disclose the same to the Stock Exchanges.
- 4.5 For events/information with respect to any Subsidiary of the Company, an event/information would be considered material if the impact of the event/ information would exceed 5% of the Consolidated Turnover of the Company.
- 4.6 The Authorised Officer shall disclose the event/information determined as material pursuant to clauses 4.2 to 4.5 above in such manner and within such time as specified under Clause 5 and Clause 6 of the Policy respectively.

#### 5. Persons Responsible for Disclosure & Process of Disclosure of Events/ Information:

- 5.1 The MD, CEO or CFO or the Company Secretary & Compliance Officer in consultation with the MD, CEO or CFO (hereinafter severally referred to as "Authorised Officer"), shall be responsible to determine the materiality of an event/information for the purpose of the Policy and disclose the same to the Stock Exchanges.
- 5.2 The details to be provided while disclosing a Material event/information shall be based on the guidance/principle laid down under the SEBI Regulations.

- 5.3 The Authorised Officer shall, with respect to the disclosures made under the Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- 5.4 The Authorised Officer shall also disclose on the website of the Company all such events/information which have been disclosed to Stock Exchanges under the Policy, and such disclosures shall be hosted on the website for a period of five years and thereafter as per the Policy of the Company on preservation of documents.
- 5.5 The Authorised Officer shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any event/information.
- 5.6 The Authorized Officer shall ensure that the updated Policy is placed on the Website of the Company at all times.

**6. Time frame for making the Disclosure of Events/Information-**

- 6.1 The Authorized Officer shall report the events/information under Para A of Part A of Schedule III of the SEBI Regulations to the Stock Exchanges within the timeframe mentioned in Annexure I to the Policy.
- 6.2 For the material events/information under Para B (listed in Annexure I to the Policy) and Para C of Part A of Schedule III of the SEBI Regulations and those pertaining to the subsidiary of the Company, the Authorized Officer may as soon as reasonably practicably consider the nature of the events/information, disclose the particular event/information to the Stock Exchanges.

**7. Provisions contained in the Insider Trading Rules, 2015 on disclosure of material events/information:**

- 7.1 ITSL code of conduct for Insider Trading ("Insider Rules") inter alia contain a Code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI). The term USPI is defined under the Insider Rules to include material events in accordance with the SEBI Regulations.
- 7.2 Thus, the provisions of the Policy and those of the Insider Rules may overlap so far as disclosure of Material events/information is concerned. To the extent of conflict, if any, between the provisions of the Insider Rules and those of the Policy, the provisions of the Policy shall prevail over the provisions of the Insider Rules.

**8. General**

- 8.1 The Policy would be subject to revision/ amendment in accordance with the applicable laws.
- 8.2 The Company reserves its rights to alter, modify, add, delete or amend any of the provisions of the policy.
- 8.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under the Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and the Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

**9. Effective Date:**

This policy will be effective from 01<sup>st</sup> April, 2019

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## Annexure I

### Events which shall be disclosed upon application of the criteria for materiality prescribed in clause 5.3.1 of the Policy:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
3. Product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) (as a borrower) 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.
6. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the Company
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Capacity addition

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