

BLS INTERNATIONAL SERVICES LIMITED

POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS

1. Scope and Purpose

The Securities Exchange Board of India, on 2nd September, 2015, has come out with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"). 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 Exchange 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 in the Policy.

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) "**Key Managerial Personnel / KMP**" means Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013 i.e.-
 - 1. Chief Executive Officer (CEO)/ Managing Director (MD)/ Manager;
 - 2. Whole-time Director (WTD);
 - 3. Chief Financial Officer (CFO);
 - 4. Company Secretary (CS).
- e) "**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.
- f) "**Listing Regulations 2015**" mean SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 which include modifications/clarifications/circulars thereof.

4. Criteria for Determining Materiality of Events or Information

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

- 1. Omission of an event or information which is likely to result in discontinuity or alteration of event or information already available publicly.
- 2. Omission of an event or information which is likely to result in significant market reaction if the said omission came to light at a later date.

BLS INTERNATIONAL SERVICES LIMITED

3. In case where the criteria specified above are not applicable an event/information may be treated as being material if in the opinion of the Board of Directors of the Company, the event/information is considered material.

The following would be the Guidelines for assessing materiality:-

- (1) Any event/information where the value involved or the impact exceeds Ten percent (10%) of the consolidated total revenue or Twenty percent (20%) of the consolidated net worth, whichever is lower based on audited financials of the immediately preceding financial year;
- (2) Materiality of the event/information must be determined on a case to case basis depending on facts and circumstances and would be determined based on the qualitative judgement to be exercised by the Authorised Persons;
- (3) Any event/information having a significant risk to the reputation of the Company;
- (4) An event/information which, in the opinion of the Board of Directors of the Company, ought to be disclosed though not required to be statutorily intimated; and

5. Disclosure

The Authorized Persons shall observe the following for proper and timely disclosure to the Stock Exchange of any material events/ information as defined hereon:

- I. For determining materiality of any event/transaction, reference is to be made to this Policy and the Listing Regulations 2015.
- II. Disclosure of the events enumerated in sub-para 4 of Para- A of Part- A of Schedule III of the Listing Regulations 2015 shall be made within 30 minutes of the conclusion of the Board Meeting.
- III. All events mentioned Para- A of Part A (other than sub-para 4), Para -B, Para -C and Para - D of Part- A of Schedule III of the Listing Regulations 2015, shall be disclosed by the Company as soon as reasonably possible but not later than 24 hours from the occurrence of a particular event.
- IV. Any material development of an event/information disclosed shall be made to the exchange.
- V. 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.
- VI. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.

DISCLOSURES OF EVENTS OR INFORMATION:

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

BLS INTERNATIONAL SERVICES LIMITED

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,-

(i) acquiring control, whether directly or indirectly; or,

(ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -

(a) the listed entity holds shares or voting rights aggregating to five percent or more of the shares or voting rights in the said company, or;

(b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.

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.

3. Revision in Rating(s).

4. 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.

5. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

6. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

7. Appointment or discontinuation of share transfer agent.

8. Corporate debt restructuring.

9. One time settlement with a bank.

10. Reference to BIFR and winding-up petition filed by any party / creditors.

11. 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.

12. Proceedings of Annual and extraordinary general meetings of the listed entity.

BLS INTERNATIONAL SERVICES LIMITED

13. Amendments to memorandum and articles of association of listed entity, in brief.
14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
15. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
16. 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).
17. Capacity addition or product launch.
18. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
19. 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.
20. 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.
21. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
22. Litigation(s) / dispute(s) / regulatory action(s) with impact.
23. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
24. Options to purchase securities including any ESOP/ESPS Scheme.
25. Giving of guarantees or indemnity or becoming a surety for any third party.
26. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
27. 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.

D. 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.

6. Authority to make alterations

The Board is authorized to make such alterations to this Policy as considered appropriate, subject to the condition that such alterations shall not be inconsistent with the provisions of the Listing Regulations 2015. Approval of the Board will not be required for updating the List of events as given in annexure, if required to comply with the Listing Regulations 2015.