TERAI TEA COMPANY LIMITED

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POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENT / INFORMATION

1. Preface

The Board of Directors (the "Board") of Terai Tea Company Limited (the "Company") has adopted the following policy and procedures with regard to determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (The Policy). This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

2. Purpose of the Policy

The purpose of this Policy is to determine materiality of events and information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make disclosure of events / information specified in para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

3. Disclosure of Events or Information

The Company shall make disclosure of any of the following events or information to the stock exchanges and such disclosure shall be adequate, accurate, explicit, timely and presented in a simple language in respect of the following :

a. Events or information specified in Para A of Part A of Schedule III of SEBI LODR shall be disclosed without any application of the guidelines for materiality.
b. Events or information specified in Para B of Part A of Schedule III of SEBI LODR shall be disclosed upon application of the guidelines for materiality as referred in Clause VII.
c. Event occurred or information available with the Company, which has not been specified in Para A or B of Part A of Schedule III, but which may have material effect on it and/or as specified by the Board of Directors or authorized Key Managerial Personnel referred in Clause VIII from time to time and/or such other events or information prescribed by SEBI or any other authority for disclosure from time to time.
d. Events or information with respect to subsidiaries which are material for the Company.

The Company shall first disclose to the stock exchange(s) the aforesaid events or information within the time limit as specified by SEBI.

The Company shall, with respect to disclosures referred to this clause, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations

4. Criteria for Determination of Materiality of Events Or Information & Procedure for Disclosure thereof

Materiality has to be determined on case-to-case basis depending on specific facts and circumstances relating to the event or information. In order to determine whether a particular event or information is material, the Company shall consider the following criteria as specified in regulation 30(4) of SEBI LODR:
1. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
2. 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
3. The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
i. 2% of turnover, as per the last audited standalone/consolidated financial statements of the Company;
ii. 2% of net worth, as per the last audited standalone/ consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative; Page 5 of 6
iii. 5% of the average of absolute value of profit or loss after tax, as per the last three audited standalone / consolidated financial statements of the listed entity.
4. Event or information shall be treated as being material if considered so in the opinion of the Board of Directors of the Company or KMPs authorised for the purpose.

Material Events/ Information:

A. Following is the indicative list of 'material events' in terms of Para A of Part A of Schedule III of the Regulations (Disclosure to be made without any application of the aforesaid criteria):

1. Acquisition(s), Scheme of Arrangement or sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking or subsidiary or other restructuring.
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. New rating(s) or revision in credit rating(s).
4. Outcome of meeting of Board held to consider the following:
   a. Dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/ dispatched;
   b. Any cancellation of dividend with reasons thereof;
   c. Decision on buy back of securities;
   d. Decision with respect to fund raising proposed to be undertaken;
   e. Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/ dispatched;
   f. Reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
   g. Short particulars of any other alterations of capital, including calls ;
   h. Financial results;
   i. Decision on voluntary delisting by the listed entity from stock exchange(s).

5. Binding Agreements [viz. shareholder agreement(s), joint venture agreement(s), family settlement(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 not in the normal course of business, revision(s) or amendment(s) and termination(s) thereof.
6. 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 Company 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 Company 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. 7. 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 of the listed entity, whether occurred within India or abroad.

8. Change in directors, KMP, Auditor, Compliance Officer and Senior Management.
9. Appointment or discontinuation of share transfer agent.
10. Corporate debt restructuring.
11. One time settlement with a bank.
12. Winding up petition filed by any party/ creditors.
13. 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.
14. Proceedings of Annual and extraordinary general meetings of the listed entity.
15. Amendments to Memorandum and Articles of Associations of listed entity, in brief.
16. Schedule of analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors and; Audio or video recordings and transcripts of post earnings.
17. Corporate Insolvency Resolution Process (CIRP) of a listed corporate debtor under the Insolvency Code.
18. Initiation of Forensic audit
19. 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.
20. 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 matters specified in Schedule III of LODR.
21. 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 matters specified in Schedule III of LODR.
22. 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.

B. Following is the indicative list of 'material events' in terms of Para B of Part A of Schedule III of the Regulations. Disclosure to be made by application of following criteria:

Criteria of threshold limit:

An event /information shall be considered material where the impact or potential impact of such event/ information can be estimated and such estimate exceeds the lower of the following:

(i) 2% of turnover, as per the last audited consolidated financial statements of the Company;

(ii) 2% of net worth, as per the last audited consolidated financial statements of the Company, except in case where the arithmetic value of the net worth would arrive negative;

(iii) 5% of the average of absolute value of profit or loss after tax, as per the last 3 audited consolidated financial statements of the Company;

If the impact/ potential impact of the event / information cannot be reasonably estimated, the final decision with regard to materiality of an event would vest in the Key Managerial Personnel so authorized by the Board of Directors herein. Indicative list of 'material events':

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/ division.

2. Arrangements for strategic, technical, manufacturing, or marketing tie-up; or adoption of new line(s) of business; or closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).

3. Capacity addition or 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) 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 listed entity due to natural calamity, force majeure or events such as strikes, lockouts, etc.

7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.

8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.

9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity 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. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority

Disclosures to the Stock Exchanges under Regulation 30:

1. Disclosure shall be made to the Stock Exchange(s) upon the occurrence of any of the above 'material events'. The disclosure shall be made as soon as possible, but 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 event or information has been taken;
ii. 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
iii. 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:
2. In case of delay of such disclosure, explanations for the delay shall be provided.
3. The events or information specified under the 'outcome of meeting of the Board' (included in Para A of Part A of Schedule III specified above) shall be disclosed within thirty minutes of the conclusion of the said Board Meeting.
4. The event or information referred to in Para A of Part A of Schedule III of the Regulations, shall be disclosed without any application of the criteria for materiality as specified above. The event or information referred to in Para B of Part A of Schedule III of the Regulations, shall be disclosed upon application of the criteria for materiality.
5. In respect of the disclosures made above, the Company shall provide updates of material developments on a regular basis, till such time the event is resolved/ closed with relevant explanations.
6. In addition to the above mentioned 'material events', if in the opinion of the Board, any event or information is considered material, the same shall be disclosed to the Stock Exchanges.
7. The Company shall also disclose all events or information with respect to the subsidiaries which are material for the Company.

5. Procedural guidelines for determination of materiality of events/information

In order to ensure that the Company complies with the disclosure obligations under Regulations 30 of the Listing Regulations, the Board has established an internal system for reporting any event/information which may require disclosure so that the event /information can be properly assessed and decision can be made regarding its disclosure to Stock Exchange(s).

Under the system, Chief Executive Officer, Vice President, Head of the Departments who are responsible for relevant areas of the Company\s operations (Responsible officers must report to Mr. Ajit Kumar Agarwala, Managing Director or Mr. Rajesh Singhania, Company Secretary & Compliance Officer of the Company any event/information which may possibly be material or of which the Responsible Officer becomes aware of it.

On receipt of communication of potential material event/information, the Company Secretary will:

i. Review event / information and to take whatever steps necessary to verify its accuracy;

ii. Assess whether the event/information is required to be disclosed to the Stock Exchanges under the Listing Regulations;

iii. Report the matter to Mr. Ajit Kumar Agarwala, Managing Director that event /information is material and requires disclosure under Regulation 30 of the Listing Regulations.

Where Mr. Ajit Kumar Agarwala, Managing Director or Mr. Rajesh Singhania, Company Secretary & Compliance Officer is not certain about material of event/information, they may refer matter for external legal advice.

iv. The procedure to be followed in relation to the lodgment of announcement of material event/information is as follows:

a) **Prepare draft announcement to the Stock Exchange(s):** if the event/information is material, the Company Secretary will prepare draft announcement to the Stock Exchanges which is factual and expressed in clear manner and obtain approval from Mr. Ajit Kumar Agarwala, Managing Director of the Company.
b) **Lodge Announcements:** The Company Secretary on behalf of the Company will lodge or arrange for lodgment of the announcement with the Stock Exchange(s).
c) **Post announcement on website:** After lodgment of the announcement with the Stock Exchange (s), the Company Secretary will arrange to place it on the website of the Company. All the announcements made under this policy shall be kept on the website as per the Archival Policy of the Company.

6. Communication of this Policy

For all new employees and Directors, a copy of this policy shall be handed over as a part of the joining documentation, along with other HR related policies. For all existing Employees and Directors, a copy of this Policy shall be handed over within one month of the adoption of this

Policy by the Board of Directors of the Company. This Policy shall also be posted on the website of the Company.

7. Amendment

Any change in the policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

8. Contact details of authorized personnel:

1. Mr. Ajit Kumar Agarwala, Managing Director
Phone No.: 033-4064-5789
Email Id: teraitea@gmail.com

2. Mr. Rajesh Singhania, Company Secretary & Compliance Officer
Phone No.: 033-4064-5789
Email Id: rsinghania99@gmail.com

This policy effective from 1st December, 2015.

This policy has been approved by the Board of Directors of the Company at the duly convened Board Meeting held on 30-05-2026