

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

CHOKHANI INTERNATIONAL LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

PREAMBLE

The Securities and Exchange Board of India (SEBI) on 2nd September, 2015 issued the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”) effective from 1st December, 2015 with the aim to consolidate and streamline the provisions of existing listing agreements thereby ensuring better enforceability and bringing the basic framework governing the regime of Listed Entities in line with the Companies Act, 2013 and at the same time compiling all the mandates of varied SEBI Regulations / Circulars governing Equity as well as Debt segments of capital market.

The Board of Directors of the Company shall authorize one or more Key Managerial Personnel (KMP) for the purpose of determining materiality of an event or information and for the purpose of making disclosures to the Stock Exchange(s) under Regulation 30 and the contact details of such personnel shall be also disclosed to the Stock Exchange(s) and as well as on the Company’s website.

Regulation 30 of the Listing Regulations deals with disclosure of material events / information by the Company whose equity and convertible securities are listed and are required to make disclosure of events / information specified under the relevant Schedule of Regulation 30. The Listing Regulations requires the Company to frame a policy for determination of materiality, based on criteria specified in the Listing Regulations, to be approved by Board of Directors of the Company and further to be disclosed on the website of the Company.

DEFINITIONS

“Company” means Chokhani International Limited.

“Board of Directors” means the Board of Directors of the Company.

“Key Managerial Personnel” means key managerial personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.

APPLICABILITY

This Policy shall be applicable to all the events relating to the Company as and when they fall under the criteria as mentioned in Schedule III Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The purpose of this Policy is to determine materiality of events and information based on criteria specified under Regulation 30 of the Listing Regulations and to ensure that the Company shall make timely disclosures of events / information specified under the Regulations to the Stock Exchanges.

PURPOSE

The listed entity shall consider the following criteria for determination of materiality of events/ 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 case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

SEBI circular dated 9.9.2015 indicates the following: -

Annexure-I -details that need to be provided while disclosing events given in Para A and Para B of Schedule III of the Listing Regulations.

Annexure II -guidance on when an event / information can be said to have occurred.

As per the Listing Regulations –

- a- The Board of Directors shall authorize one or more Key Managerial Personnel (KMP) for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under this Listing Regulations.

Accordingly this policy has been framed for determination of materiality, to identify and authorise KMP for the purpose of determining materiality and the Disclosures to be made in compliance of Regulation 30 of the Listing Regulations and the SEBI Circular. The Company has authorized following KMP for the above said purpose:

S. No.	Name and Designation	Address
1	Mr. Jagdish Prasad Chokhani, Managing Director	Z-20, 1 st Floor, Okhla Industrial Area, Phase – II, New Delhi – 110020 Email : secretarial@chokhani.in Ph: 011- 47105100
2	Mr. Ram Kumar Tiwari, Chief Financial Officer.	Z-20, 1 st Floor, Okhla Industrial Area, Phase – II, New Delhi – 110020 Email : secretarial@chokhani.in Ph: 011- 47105100
3	Ms. Himanshi Zaira, Company Secretary	Z-20, 1 st Floor, Okhla Industrial Area, Phase – II, New Delhi – 110020 Email : secretarial@chokhani.in Ph: 011- 47105100

Identification of Materiality and Events

1. Events specified in Annexure A shall be deemed to be material and have to be necessarily disclosed without applying any test of materiality.
2. Events specified in Annexure B should be disclosed if considered material

Following criteria shall be considered for determination of materiality of events/ information:

- i) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii) 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;
- iii) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

Queries by Stock Exchanges

- a) The company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- b) The company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s)

Review/Amendment

The Board may, at any time, review and amend any or all clauses of this Policy, if considered necessary.