



POLICY ON DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

Effective from: December 12, 2017

First Revision: November 03, 2023



**iThink Techno Campus, Jolly Board Tower D, Ground
Floor, Kanjurmarg (East), Mumbai 400 042 IN**

Tel: +91 22 6882 4900

website: www.praxisretail.in; e-mail: investorrelations@praxisretail.in

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

Index		
Sr.No.	Particulars	Page No.
1.	Legal Framework	3
2.	Purpose	3
3.	Authority for deciding Materiality of Event or Information	3-4
4.	Events which are deemed to be Material Events	4
5.	Events which are dependent on application of guidelines for Materiality	4-5
6.	Time limit for disclosure	5
7.	Scope and Limitation	5
8.	Dissemination of Information to Stock Exchange(s)	6
9.	Amendment	6



POLICY FOR DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION

1. LEGAL FRAMEWORK:

In terms of the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), which comes into effect from 1st December, 2015, every listed entity shall have a policy for determination of materiality of events (“**Policy**”) based on the criteria specified under the Listing Regulations. In terms of the aforesaid provisions, this Policy has been formulated by the Board of Directors of Praxis Home Retail Limited (“**Company**”), which comes into effect from 12th December, 2017.

SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 dated 14th June 2023 (“Amendment Listing Regulation”), SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 and SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 11, 2023 and July 13, 2023 respectively (“SEBI Disclosure Circulars”), has amended and prescribed the criteria for determination of materiality of events that are to be disclosed to the stock exchanges by listed entities and provided the timelines for such disclosures.

In view of these amendments, this Policy has been amended and adopted by the Board of Directors of the Company based on the recommendation of the Audit Committee and shall be effective from 3rd November, 2023.

2. PURPOSE OF THE POLICY:

The purpose of this Policy is to determine materiality of events and information based on the criteria specified under the Listing Regulations as amended read with SEBI Disclosure Circulars and to ensure that the Company makes timely disclosure of events / information specified in **Para A and Para B of Part A of Schedule III** of the Listing Regulations as amended.

3. AUTHORITY FOR DECIDING MATERIALITY OF EVENT OR INFORMATION:

The Chief Executive Officer & Whole-time Director / Chief Financial Officer/Company Secretary of the Company (“**Authorised Persons**”) are authorized to decide on the materiality of an event or any information and severally to make necessary disclosures of any such event or information at appropriate time to the Stock Exchanges. The Authorised Persons are also



empowered to decide all events or information with respect to subsidiary companies, if any, which are material for the Company and make disclosure of such information at appropriate time to Stock Exchanges.

The Board of Directors shall from time to time determine and appoint /remove one or more eligible persons to undertake any of the aforesaid activities.

4. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS:

The Authorised Persons shall disclose all such events which are specified in Para A of Part A of Schedule III of the Listing Regulations (as applicable from time to time) (“**Para A Events**”) without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the Listing Regulations.

5. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY:

The Company shall disclose all such material events or information specified in Para B of Part A of Schedule III of the Listing Regulations (“**Para B Events**”) subject to application of guidelines for materiality as specified in sub-regulation (4) of Regulation 30 of the Listing Regulations.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

The following are the guidelines for determining materiality of events or information:

Quantitative criteria would be calculated based on audited consolidated financial statements and would mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:

- (a) 2% (two per cent) of standalone turnover, as per the last audited standalone financial statements of the Company; or
- (b) 2% (two per cent) of standalone net worth as per the last audited standalone financial statements of the Company (except in case the arithmetic value of the net worth is negative); or
- (c) 5% (five percent) of average of absolute value of standalone profit or loss after tax for last 3 years, as per the last 3 (three) audited standalone financial statements of the Company.



In terms of the SEBI Disclosure Circular, if the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company/Authorised Person, the event or information is considered material.

Qualitative criteria would mean an event/ 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 or information may be treated as being material if in the opinion of the Board of Directors of the Company/Authorised Person, the event / information is considered material.

3. Without prejudice to the generality of category (a), (b) and (c) of Schedule III of the regulation, any other event or information as may be specified by the SEBI from time to time shall be disclosed to the Stock Exchange.

This Policy shall also apply to the events to which neither Para A or Para B of Part A of Schedule III applies but have a material effect

6. TIME LIMIT FOR DISCLOSURE:

All events/information identified as material in line with the regulation and under this Policy shall be disclosed as soon as reasonably possible and, in any case, not later than the following:

- i. For all material events/ information for which decision is taken in a Board meeting within 30 (thirty) minutes from the closure of the board meeting;
- ii. For all material events/ information emanating from within the Company within 12 (twelve) hours from the occurrence of the event or information;
- iii. For all material events/ information relating to the Company but emanating from outside the Company within 24 (twenty-four) hours from the occurrence of the event or information.



- a) In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.
- b) The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.

7. SCOPE AND LIMITATION:

In the event of any conflict between the provisions of this Policy and the Listing Regulations, as amended from time to time, the Listing Regulations shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

8. DISSEMINATION OF INFORMATION TO STOCK EXCHANGE(S):

The Chief Financial Officer and/or the Company Secretary of the Company shall disseminate information to Stock Exchange(s) in the manner and to the extent as approved by the Authorized Person(s).

The disclosure of events or information to Stock Exchanges shall be in the form and manner as prescribed under the Listing Regulations.

9. AMENDMENT:

The Board may amend or modify this Policy in whole or in part, at any time. This policy shall remain in force unless modified by the Board of Directors. This policy has been amended, approved and adopted by the Board of Directors at its meeting held on November 03, 2023.

The Policy was adopted by the Board at its meeting held on	December 12, 2017
Policy released with effect from	December 12, 2017
First Revision by the Board	November 03, 2023
