

BHATKAWA TEA INDUSTRIES LIMITED

POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES

The Securities and Exchange Board of India (“SEBI”), has issued SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the “Regulations”). In terms of Regulation 30 read with SEBI’s circular No.CIR/CFD/CMD/4/2015 dated September 9, 2015, the Board of Directors (the “Board”) of Bhatkawa Tea Industries Limited (the “Company”) has adopted this Policy for determining Materiality for Disclosures (the “Policy”) for determination of materiality of events or information (“Material Information”) to enable the Company to promptly disclose such information or event to the Stock Exchanges, pursuant to this Regulation.

The Policy sets out the guidelines for identification of events or information within the Company which are deemed to be material in the opinion of the Board of Directors. The Policy is based on the basic principles of Materiality, Timeliness and Transparency.

AUTHORISED PERSONS

Pursuant to Regulation 30(5), the Board of Directors have severally authorised Key Managerial Personnel (KMP) of the Company Mr. Krishnendu Basu, Chief Financial Officer and Mrs. Dharini Mehta, Secretary (“Authorised Persons”), for the purpose of determining materiality of an event or information and making disclosure to stock exchanges. The Authorised Persons shall make required disclosures within the stipulated time of actual occurrence of an event or information, after ascertaining facts.

GUIDELINES FOR MATERIALITY ASSESSMENT

Events or information specified in Para A of Part A of Schedule III of the Regulations are required to be disclosed irrespective of application of any quantitative or qualitative materiality thresholds as these are “deemed” to be material.

The events or information specified in Para B of Part A of Schedule III of the Regulations, which will be disclosed based on application of materiality criteria. Materiality must be determined on a case-to-case basis depending on the

material facts and the circumstances pertaining to the information or event and would be determined based on any of the following criteria:

a) Quantitative Materiality Thresholds: Where the value involved in an event or the impact of an event exceeds 10% of the gross turnover or revenue or total income; or exceeds 20% of the net worth, whichever is lower.

b) Qualitative Materiality Criteria: Where the omission of disclosure of such event or information is likely to result in discontinuity or alteration of event/information already available publicly or result in significant market reaction, if the said omission became public at a later date.

c) Board Decision: An event/information if treated as material in the opinion of the Board.

The Company shall also disclose to the Stock Exchanges-

i. To disclose material events or information with respect to the subsidiaries of the Company.

ii. Any other event/information viz. major development that is likely to affect business, e.g. emergence of new technologies, any change of accounting policy that may have 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 security holders of the Company to appraise its position and to avoid the establishment of a false market in such securities.

iii. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the SEBI Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.

DISCLOSURE

Any event or information falling under Regulation 30 of SEBI Regulations shall be informed to the Authorised Person(s) promptly upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchange. The Company shall provide such details while making a disclosure of events/information as are mentioned in the circular issue by SEBI along with such other details as may be required by SEBI/the Stock Exchanges from time to time or as may be prescribed under the Listing Regulations.

As required under the SEBI Regulations, the Policy will be disclosed on the website of the Company www.bhatkawatea.com Further, the Company shall disclose on its website all such events or information which have been disclosed to the stock exchange(s) under this Regulation and such disclosure shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company. Any change in the content of its website shall be updated within two working days from the date of such change in content.

POLICY REVIEW

The Board shall have power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this policy entirely with a new Policy according to subsequent modification(s) / amendment(s) to Regulations.