

POLICY FOR DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION

1. Introduction

3i Limited (“**Company**”) is committed to being open and transparent with all its stakeholders and Infotech ensuring timely and accurate disclosure of information on all material matters. The Company’s securities are traded on the Bombay Stock Exchange India Limited (BSE) and National Stock Exchange of India Limited (NSE) (collectively “**Stock Exchanges**”) and the Company is required to comply with the continuous disclosure obligations imposed under the Securities and Exchange Board of India (“**SEBI**”) (Listing Obligations and Disclosure Requirements) 2015 (“**Listing Regulations**”) notified by the SEBI on September 2, 2015 and which came into force on December 1, 2015.

As per the Listing Regulations, a Listed entity is required to frame a policy for determination of materiality of events or information which are required to be disclosed to the Stock Exchanges. This Policy is framed and implemented for the purposes of ensuring compliance with these requirements of the Listing Regulations.

2. Purpose

This Policy is aimed at providing guidelines to the KMP under this Policy, to determine the materiality of events or information, which could affect the Company’s stakeholders and ensuring that the Company complies with the disclosure obligations under the Listing Regulations and any other applicable legislations, to which it is subject to, being a listed entity.

3. Definitions

In this policy, unless the context otherwise requires:

- a) “Board of Directors” shall mean the Board of Directors of the Company.
- b) “Key Managerial Personnel” or “KMP” means the chief executive and managing director, Executive Director, Chief Financial Officer and Company Secretary of 3i Infotech Limited.
- c) “Policy” means this policy for the determination of materiality of event or information framed under the Listing Regulations.
- d) “Subsidiary” means a subsidiary as defined under sub-section (87) of Section 2 of the Companies Act, 2013.

All other words and expressions used but not defined in this policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them

in such acts or rules or regulations or any statutory modification or re-enactment thereof, as the case maybe.

4. Authority

This Policy has been adopted by the Board of Directors of the Company at its Board Meeting held on October 12, 2018. This Policy shall also be displayed on the website of the Company. This Policy shall supersede all existing policies and regulations of the Company with respect to the subject matter hereof.

5. Guidelines for determination of materiality of event or information

The Company shall disclose all such material events or information pertaining to itself or its Subsidiary(ies) including but not limited to information related to business, operations, or performance which may have significant effect on securities investment decisions.

The Company shall disclose all events or information specified in Para A of Part A of Schedule III to the Listing Regulations, without any application of the guidelines set out in this Policy.

All events or information specified in Para B of Part A of Schedule III to the Listing Regulations shall be disclosed by the Company subject to application of guidelines for determining materiality as provided under this Policy and the criteria set out in Regulation 30(4) of the Listing Regulations.

Further, the Company shall disclose all major developments that are likely to affect business, e.g. emergence of new technologies, 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 Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities, as provided in Para C of Part A of Schedule III to the Listing Regulations.

Other than the events or information which have been specified in Para A, Para B and Para C of Part A of Schedule III to the Listing Regulations, materiality of an event or information shall be determined on a case to case basis depending on specific facts and circumstances relating to such event or information.

The primary approach for determining materiality of an event or information will be qualitative. The qualitative criteria for determining materiality of an event or information will be as follows:

- (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, which is likely to result in significant market reaction, if the said omission came to light at a later date;
- (c) in case where criteria specified in (a) and (b) above are not applicable, an event or information, if the Board of Directors of the Company or the KMP consider such event or information to be material.

Quantitative criteria would be calculated based on audited financial statements of the last audited financial year and would mean event/ information where the value involved or the impact:

- (a) exceeds ten per cent of the consolidated gross turnover, or
 - (b) exceeds ten per cent of the consolidated net worth;
- whichever is lower.

The Quantitative criteria shall be used as a yardstick or reference for determining materiality and arriving at the overall decision on the event to be reported.

All disclosures shall be made within the durations prescribed under the Listing Regulations.

6. Authorization for determination of materiality of event or transaction or information

The Company's KMP are authorized to decide the "Materiality" of any event / transaction / information based on the above guidelines/criteria and intimate the Company Secretary to disclose the said information to the Stock Exchange(s).

The KMP's are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The KMP's are empowered to determine whether to disclose the events/ information as material event which falls in the qualitative or quantitative criteria as specified above.

The KMP's shall have the following powers and responsibilities for determining the material events or information:

- To review and assess an event or information that may qualify as "material" and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time;
- To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/ closed, with relevant explanations;

- 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 Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters;
- To disclose all events or information with respect to the Subsidiaries which are material for the Company;
- To ensure that any confidential information which if disclosed is likely to put at risk, the business interest of the Company is not disclosed and to that extent, make qualified disclosures to the Stock Exchanges on behalf of the Company; and
- To review and finalise the details to be disclosed. The contents of the disclosure shall be in line with the Listing Regulations and the circulars issued by the SEBI in this regard, and as may be and as may be amended from time to time.

7. Review & Amendment

Subject to the requirements of the Listing Regulations, this Policy shall be reviewed as and when required by the KMP to ensure that it meets the objectives of this Policy and the applicable legislation are satisfied. The Board of Directors shall approve changes/amendments to this Policy, proposed by the KMP, as may be expedient taking into account the applicable law for the time being in force.

8. Contact Details

Questions or clarifications about this Policy or disclosures made by the Company should be referred to the following:

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Designation: Company Secretary and Head- Legal

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