

## **Policy on Determination of Materiality for Disclosure of Events or Information**

### **Background:**

As per Regulation 30 Of The SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (Hereinafter Referred To As “Regulations”), a listed entity is required to frame a policy for determination of materiality for disclosure of events or information to stock exchanges, based on the criteria specified therein and Schedule III Of the said Regulations, which also requires to be disclosed on the company’s website.

### **Policy:**

Pursuant thereto, the policy on determination of materiality for disclosure of events or information is made as under:

1. The company shall consider the following criteria for determination of materiality of event or 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, which is likely to result in significant market reaction if the said omission came to light at a later date;

C. 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 the company, the event / information is considered material.

3. The chairman is authorized to make appropriate changes to the policy as he may deem expedient taking into account the law and regulations for the time being in force.

4. As stated in the regulations, annexure 1 provides the events which shall be disclosed without any application of the guidelines for materiality and annexure 2 provides the events which shall be disclosed upon application of the guidelines for materiality.

5. Without prejudice to the generality of annexure 1 and annexure 2, the company may make disclosures of event / information as specified by sebi from time to time.

6. Events or information disclosed to the stock exchange(s) shall also be disclosed on company’s website for a minimum period of five years and thereafter be archived as per company’s policy on archival of documents.

### **Annexure I - Events which shall be disclosed without any application of the guidelines for materiality, as per Para a of part a of Schedule III of the regulations:**

1. Acquisition(S) (including agreement to acquire), scheme of arrangement (amalgamation / merger / demerger / restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the company or any 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. Revision in rating(s), if any.

4. Outcome of meetings of the board of directors 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) The decision on buyback of securities;
- D) The 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 from stock exchange(S).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s), if any (to the extent that it impacts management and control of the company), agreement(s)/treaty(ies)/contract(s) with media companies which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

6. Fraud/defaults by promoter or key managerial personnel or by the company or arrest of key managerial personnel or promoter

7. Change in directors, key managerial personnel (managing director, chief executive officer, chief financial officer, company secretary, etc.), auditor and compliance officer.

8. Appointment or discontinuation of share transfer agent.

9. Corporate Debt Restructuring

10- One Time Settlement with a bank, if any

11- Reference to BIFR and winding-up petition filed by any party / creditors.

12- 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.

13- Proceedings of annual and extraordinary general meetings

14- Amendments to Memorandum and Articles of Association in brief

15- Schedule of analyst or institutional investor meet and presentations on financial results made by the company to analysts or institutional investors.

\* To be disclosed within 30 minutes of the closure of the meeting held to consider the aforesaid events.

The company shall disclose all the material events or information to stock exchange(s) as soon as reasonably possible and not later than 24 hours from the occurrence of such event. In case the company fails to make a disclosure within the prescribed period, it shall also provide an explanation for such delay. The company shall also update on any material development to the disclosure already made on a regular basis, till such time the event is resolved / closed along with relevant explanations.

The company shall disclose all events or information with respect to subsidiaries which are material for the company.

**Annexure 2 – Events which shall be disclosed upon application of the guidelines for materiality, as per Para B & C of Part a of Schedule III of the regulations:**

1. Commencement or any postponement in the date of commencement of commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or 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) (as a borrower) 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 company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(S) arising out of change in the regulatory framework applicable to the company.
8. Litigation(S) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults, etc. by directors (other than key managerial personnel) or employees of the company
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. Any other information / event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, 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.