

POLICY ON DETERMINING MATERIALITY OF EVENTS

PREAMBLE

Pursuant to Regulation 30(5) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 mandates listed entities to formulate a policy for determination of materiality based on the criteria specified in the Regulation and Disclosure to the Stock Exchange. The Company shall make disclosure of any events or information which in the opinion of the Board is material.

CRITERIA FOR DETERMINING THE MATERIALITY

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.

MATERIAL EVENT(S) / INFORMATION(S) IN TERMS OF SCHEDULE III:

A. Following is the indicative list of 'material events' in terms of "Para A" of "Part A" of Schedule III of the Regulations (Disclosure to be made without any application of the aforesaid criteria):

1. Acquisition(s) (includes agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/ restructuring) or sale or disposal of any unit(s), division(s) or subsidiary or 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 credit rating(s).

4. Outcome of meeting of Board 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. Decision on buy back of securities;

d. 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 by the listed entity from stock exchange(s)

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

6. Fraud/ defaults by promoter or key managerial personnel or by listed entity or arrest of KMP or promoter.

7. Change in directors, KMP, Auditor and Compliance Officer.

8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.

10. One time settlement with a bank.

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 by the listed entity.

13. Proceedings of Annual and extraordinary general meetings of the listed entity

14. Amendments to Memorandum and Articles of Associations of listed entity, in brief.

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

B. Following is the indicative list of 'material events' in terms of "Para B" of "Part A" of Schedule III of the Regulations. Disclosure to be made by application of following criteria:

Criteria of threshold limit:

An event /information shall be considered material where the impact or potential impact of such event / information can be estimated and such estimate exceeds the 5% of turnover of the Company based on the last available audited standalone or consolidated financial statements of the Company. If the impact/ potential impact of the event / information cannot be reasonably estimated, the final decision with regard to materiality of an event would vest in the Key Managerial Personnel so authorized by the Board of Directors herein.

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/ division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing 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 listed entity due to natural calamity, force majeure or events such as strikes, lockouts, etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Litigation(s)/ dispute(s)/ regulatory action(s) with impact.
9. Fraud/ defaults etc. by directors (other than KMP) or employees of listed entity.
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.

DISCLOSURES TO THE STOCK EXCHANGES UNDER REGULATION 30 OF SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

1. Disclosure shall be made to the Stock Exchange(s) upon the occurrence of any of the above 'material events'. The disclosure shall be made as soon as possible, but not later than twenty-four hours from the occurrence of the event or information (before they are made public). In case of delay of such disclosure, explanations for the delay shall be provided.
2. The events or information specified under the 'outcome of meeting of the Board' (included in "Para A" of "Part A" of Schedule III specified above) shall be disclosed within thirty minutes of the conclusion of the said Board Meeting.
3. The event or information referred to in "Para A" of "Part A" of Schedule III of the Regulations, shall be disclosed without any application of the criteria for materiality as

specified above. The event or information referred to in “Para B” of “Part A” of Schedule III of the Regulations shall be disclosed upon application of the criteria for materiality.

4. In respect of the disclosures made above, the Company shall provide updates of material developments on a regular basis, till such time the event is resolved/ closed with relevant explanations.

5. In addition to the above mentioned ‘material events’, if in the opinion of the Board, any event or information is considered material, the same shall be disclosed to the Stock Exchanges.

AUTHORITY FOR MAKING DISCLOSURES:

The Board has authorized Key Managerial Personnel of the Company, viz. Mr. Bharat Parekh, Managing Director and/or Ms. Payal Kotak, Company Secretary or all or any of them, to determine the materiality of event or information which would qualify for disclosure under Regulation 30. The contact details of the authorized personnel(s) shall also be disclosed to the Stock Exchange(s) and shall be uploaded on the website of the Company.

Once ‘materiality of the event’ is finalized, the authorized personnel(s) shall decide and finalize the information to be provided in the proposed disclosure to be filed with the Stock Exchanges.

The disclosure as finalized shall be submitted to the Stock Exchanges by any of the authorized personnel and thereafter the disclosure shall be uploaded on the website of the Company as per Archival Policy of the Company.