**Policy on Determination of Materiality**

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<th>Approving Authority</th>
<th>Board of Directors</th>
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SCOPE AND PURPOSE

The Securities Exchange Board of India (SEBI) on September 2, 2015, has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations, 2015).

Regulation 30 requires the Company to frame and adopt a policy to determine the material events by testing the materiality for the purpose of proper, sufficient and timely disclosure of the same to the stock exchanges.

Accordingly, this Policy on Determination of Materiality has been approved and adopted by the Board of Directors of the Company at its meeting held on December 01, 2017.

1. APPLICABILITY

This Policy shall be applicable to all events relating to the Company, as and when they come under the criteria elucidated below.

This Policy shall be read together with the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information formulated and adopted by the Company to lay down the procedures and practical guidelines that would be followed by the Company for consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive information.

2. OBJECTIVE OF THE POLICY

The objectives of this Policy are as follows:

a. To ensure that the Company complies with the listing regulations post the listing of its equity shares
b. To ensure that the information disclosed by the Company is timely and transparent.
c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
d. To protect the confidentiality of Material / Price sensitive information within the framework of the Company’s disclosure obligations.
e. To provide a charter that supports and fosters confidence in the quality and integrity of information released by the Company.
f. To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures

3. DEFINITIONS

a. “Compliance Officer” shall mean the Company Secretary of the Company;

b. “Market Sensitive Information” shall mean information concerning the Company’s business, operations or performance which has a significant effect on securities investment decisions or information which causes the market to maintain the price of security at or about its current level when it would otherwise be expected to move materially in a particular direction, given price movements in the market generally.
3. **KEY PRINCIPLES IN DETERMINING MATERIALITY**

An information or an event is considered to be material when it is likely to impact the price of the securities of a company. Where the price of the securities of the Company in the normal course is likely to be affected on the basis of the disclosure of an event or information, such event or information is to be regarded as material. Accordingly, the following events and guidelines shall be considered while testing materiality for disclosure of an event/information:

**A. EVENTS WHICH SHALL BE DEEMED MATERIAL**

1. Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring).

2. Split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including redemption of securities etc.;

3. Revision in rating(s);

4. Outcome of Board Meetings of the Company held to consider the following:
   
   a. declaration of 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 any specific 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. 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;
   
   h. financial results;
   
   i. decision on voluntary delisting by the Company from stock exchange(s).

5. Agreements [viz. shareholder agreement(s), joint venture agreement(s), (to the extent that it impacts management and control of the Company), agreement(s)/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 any KMP or by the Company or arrest of any KMP;

10. Change in Directors, KMP, Statutory Auditor and Compliance Officer;

11. Appointment or discontinuation of share transfer agent;

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 Company;
13. Proceedings of Annual and extraordinary general meetings of the Members of the Company;

14. Amendments to Memorandum and Articles of Association of Company, in brief; and

15. Presentations made at investor conferences by the Company.

The above events shall be disclosed in accordance with the extant Regulations 2015 or guidelines issued thereunder, including any amendments thereto.

B. THE FOLLOWING EVENTS SHALL BE CONSIDERED MATERIAL SUBJECT TO THE APPLICATION OF THE GUIDELINES MENTIONED IN CLAUSE (C)

1. 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

2. Change in lending rates;

3. 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;

4. Disruption of operations of any one or more branches of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or other events;

5. Effect(s) arising out of change in the regulatory framework applicable to the Company;

6. Litigation(s)/ dispute(s)/ regulatory action(s) with impact;

7. Fraud/defaults etc. by directors (other than KMPs) or employees of Company to the extent the Company is aware or made aware of;

8. Options to purchase securities including any ESOP Scheme;

9. Giving of guarantees or indemnity or becoming a surety for any third party other than in the normal course of business; and

10. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

C. THE EVENTS MENTIONED IN CLAUSE (B) ABOVE SHALL BE CONSIDERED MATERIAL ONLY ON APPLICATION OF THE FOLLOWING GUIDELINES

1. The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

2. 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; or
3. In case where the criteria specified in sub-clauses (1) and (2) are not applicable, an event/information may be treated as being material if in the opinion of the Board, the event/ information is considered material.

D. ANY OTHER INFORMATION/EVENT VIZ. MAJOR DEVELOPMENT THAT IS LIKELY TO AFFECT BUSINESS:

Events/ Information that may include but are not restricted to-

1. Any change of accounting policy that may have a significant impact on the accounts, etc.;

2. Any other information which is exclusively known to the Company which may be necessary to enable the holders of securities to appraise its position and to avoid the establishment of a false market in such securities;

3. Any market sensitive information as may be determined by any two Key Managerial Personnel (KMPs) jointly, from time to time;

4. Any event which in the view of the Board is material.

4. ADMINISTRATIVE MEASURES

a. Unless otherwise decided by the Board, any two KMPs acting jointly shall be authorized for the purpose of determining materiality of an event or information and making disclosures to the stock exchange. Any decision taken by them shall be valid and binding on the Company.

b. The contact details of all the KMP shall be disclosed to the stock exchange and also be placed on the Company’s website.

c. The KMPs shall take into consideration the factors surrounding the particular information to take a view on whether the information is market sensitive or not. The KMPs are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

d. The KMPs shall have the following powers and responsibilities for determining the material events or information:

(i) 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.

(ii) To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
(iii) 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.

(iv) 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.

The Company Secretary shall act as the coordinator and liaisoning officer for dissemination of material events/ information to the Stock Exchanges.

5. GUIDELINES FOR ASSESSING MATERIALITY

Materiality will be determined on a case to case basis depending on the facts and circumstances pertaining to the event or information.

The following qualitative criteria will be applicable for determining 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 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 the Company, the event / information is considered material.

The following quantitative criteria will be applicable for determining materiality of event or information:

Further, the Company may also consider the following Quantitative materiality threshold in order to determine whether any particular event / information is material in nature:

Quantitative Materiality Threshold: Where the value involved or the impact of an event / information exceeds [ ]% ([ ] percent) of the Net worth of the Company.

The said threshold shall be determined on the basis of audited annual financial statements of the last financial year.

If a particular Event / Information satisfy any of the Qualitative criteria or Quantitative threshold, the Company shall disclose the same to the Stock Exchanges.

(d) Any other event as may be specified by SEBI from time to time

6. INTERPRETATION

In any circumstance where the terms of this Policy differ from any existing or newly
enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this Policy is amended to conform to the law, rule, regulation or standard.

7. GUIDANCE ON WHEN AN EVENT/INFORMATION IS DEEMED TO BE OCCURRED

a. The events/information shall be said to have occurred upon approval by the Board e.g. further issue of capital by rights issuance and in certain events/information after approval of both i.e. Board and shareholders that is to say, after the approval of the shareholders of the Company.

b. The events/ information that may be of price sensitive nature such as declaration of dividends etc., on receipt of approval of the event by the Board, pending Shareholder’s approval.

c. In the events/information such as natural calamities, disruption etc. can be said to have occurred when the Company becomes aware of the events/information.

8. DISCLOSURE

The Company shall observe the following for proper and timely disclosure of any material events/information as defined hereon:

a. For determining materiality of any event/transaction, reference is to be made to this Policy and the Regulations.

b. Disclosure of the events enumerated in Clause 3(A)(7) above shall be made within 30 minutes of the conclusion of the Board Meeting at which such events were discussed along with the time of commencement and conclusion of the meeting.

c. All other events mentioned under Clause 3(A) and (B) above, other than those mentioned in the foregoing clause shall be disclosed by the Company as soon as reasonably possible but not later than 24 hours from the occurrence of a particular event.

d. The details with regard to any fraud/ default by Directors or KMP or by the Company or arrest of any KMP shall be disclosed at the time of unearthing of the fraud or occurrence of default/ arrest.

e. The stock exchange(s) shall also be intimated further details regarding the same including actual amount of fraud/ default, actual impact of such fraud/ default on the Company and its financials and corrective measures taken thereon.

f. Disclosure of any material development shall be made on a regular basis of any event, till the time the event is resolved/ closed.

g. All the disclosures made to the stock exchanges under this Policy shall also be placed
on the Company’s website and the same shall be available for a minimum period of five years.

h. The Company shall also disclose all the events or information with respect to its subsidiaries which are material for the Company.

8. **AUTHORITY TO MAKE ALTERATIONS**

The Board of Directors of the Company is authorized to make such alterations to this Policy as considered appropriate, subject however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations.