

## Policy for Determination of Materiality

### Purpose of the policy

The Board of Directors of Roselabs Finance Limited ("**the Company**") has formulated and adopted policy for Determination of Materiality ("**Policy**"), under the rules and regulations framed by Securities Exchange Board of India ("**SEBI**") i.e. under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which would be applicable with effect from December 1, 2015,

### Objective of the policy

The objective of this Policy is to determine the materiality so that the events/information which satisfies the criteria of 'materiality' could be promptly disclosed to the Stock Exchange(s).

This Policy would be effective from December 1, 2015.

### **Definitions**

In this policy unless the context otherwise requires

- a. "**Act**" means the Companies Act, 2013 and rules made there under, as amended from time to time.
- b. "**SEBI Regulations**" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.
- c. "**Company**" means Roselabs Finance Limited.
- d. "**Authorized Persons**" shall have the same meaning ascribed to it under Clause I of this Policy.
- e. "**Board**" or "**Board of Directors**" shall mean the Board of Directors of Roselabs Finance Limited, as may be re-constituted from time to time
- f. "**Financial Year**" shall have the same meaning ascribed to it under the Act.
- g. "**Material Information/event**" shall mean information/event as prescribed under Clause II & Clause III of this Policy.

The words or expressions used but not defined herein, but defined under Companies Act, 2013 or the SEBI Regulations shall have the same meaning assigned therein.

## **I. Authorized Persons**

The Company Secretary (hereinafter referred as "**Authorised Person**"), in consultation with the Chairman/ Director (excluding Independent Directors) of the Company/ with the concerned Department head, or the responsible Senior Management Personnel, as the case may be shall be the authority to determine the materiality of any events/information, classify it as a Material event/Information and decide the appropriate time at which disclosure is to be filed with Stock Exchange(s).

## **II. Guidelines for Materiality assessment**

1. Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature, 'quantitative' and qualitative factors also as the case may be criteria will be applied.
2. The events or information which will be disclosed based on application of materiality criteria are given in **Annexure 1**.
3. In circumstances where 'quantitative' test may not be applicable or cannot be applied, a 'qualitative' or a 'subjective', criteria as under will be applied to determine materiality.
4. Authorized Person as defined under Clause I above are authorized, in his / her absolute discretion, to revise the quantitative or qualitative materiality threshold specified under **Annexure 1**.

## **III. Deemed material events or information**

Events or information specified in **Annexure 2** will be deemed to be material events / information and will be disclosed irrespective of application of any quantitative or qualitative materiality thresholds.

## **IV. Timing of disclosure**

All material events / information will be disclosed as promptly as practicable as per the provisions of Regulation 30 read with SEBI's Circular bearing reference CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015.

## **V. General**

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 this Policy and procedures until such time as this Policy is changed to conform to the law, rule, regulation or standard.

**Annexure - 1**

Taking into account the aforesaid provisions and other applicable legal provisions, the Policy on determination of materiality for disclosures to events or information as mentioned herein below table is being 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 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) 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.

Sl. No.	Event/Information
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
4	Product launch
5	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
6	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.
7	Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
8	Effect(s) arising out of change in the regulatory framework applicable to the listed entity
9	Litigation(s) / dispute(s) / regulatory action(s) with impact.
10	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity
11	Giving of guarantees or indemnity or becoming a surety for any third party.
12	Granting, withdrawal, surrender, cancellation or suspension of ley licenses or regulatory approvals.

**Annexure - 2**

**Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) and Clause V of this Policy**

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 listed entity or any other restructuring.

Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,-

- (i) acquiring control, whether directly or indirectly; or,
  - (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
    - (a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
    - (b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
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).
  4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, 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 by the listed entity from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement 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 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 listed entity 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.
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 association 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.