

**NANAVATI VENTURES LIMITED**

**POLICY FOR DETERMINATION OF  
MATERIALITY OF EVENTS AND INFORMATION**

**Constituted Date:** 26<sup>th</sup> October, 2020

**Last Amendment Date:** 26<sup>th</sup> October, 2020

**APPROVED BY:** Board of Directors

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*Policy for Determination of Materiality of Events and Information*

## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION**

### **1. BACKGROUND**

This Policy has been made pursuant to Regulation 30 (4) (ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which requires the Company to formulate a policy for determination of materiality of events and information that warrant disclosures to investors.

### **2. OBJECTIVE OF THE POLICY**

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Listing Regulations and to provide an overall governance framework for such determination of materiality.

### **3. RESPONSIBILITIES FOR DISCLOSURES**

The Compliance officer to have responsibility for:

- (a) deciding if information should be disclosed to the Stock Exchanges, based on the guidelines set forth in this Policy and making appropriate disclosures in respect thereto;
- (b) ensuring compliance with the Company's continuous disclosure obligations;
- (c) establishing a system to monitor compliance with the Company's continuous disclosure obligations and this Policy.;

### **4. DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION**

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

The criteria specified under regulation 30 (4) of the Listing Regulations shall be considered for determination of material events and information which is as follows:

- (d) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (e) 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;

- (f) 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 the Company, the event / information is considered material.

## **5. DISCLOSURE OF EVENTS AND INFORMATIONS**

The Disclosure of information either to stock exchange or in the press or public medium shall be routed through the Compliance Officer. All the directors, key managerial persons and employees one level below board of directors (including functional heads) shall, on becoming aware of any information at any time which may be considered to be material as per criteria specified, must immediately report the same with adequate supporting data to the Compliance officer. Based on the information or event, the Compliance Officer shall decide about the disclosure of information or any event.

The Company shall endeavor to disclose to the stock exchange(s) all material events or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information.

The Company will publicly release all information disclosed to the Stock Exchanges under this Policy, by placing it on its website for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on website.

- A. The Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) shall be as per Annexure A.
- B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30) shall be as per Annexure B.

## **6. REVIEW AND AMENDMENTS**

The Compliance officer, in consultation with the Board, will review this policy as often as it considers necessary. The Board may change this policy from time to time by resolution.

## **7. EFFECTIVE DATE:**

The Policy as approved by the Board of Directors shall be effective from **26<sup>th</sup> October, 2020**.

**8. WEBSITE:**

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and the disclosures shall be made available on the website of the Company as and whenever required under the regulations of the Listing Agreement read with the Companies Act, 2013 and the rules made thereunder.

**9. CONTACT DETAILS:**

Queries or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary & Compliance officer of the Company, who is in charge of administering, enforcing and updating this Policy.

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**Annexure A**

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

**A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):**

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.
- (7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- (7B) Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
- i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
  - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
  - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
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;

**Annexure B**

**B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):**

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 (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 listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) 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.



**C. 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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.**

**D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.**