



## **HINDUJA VENTURES LIMITED**

### **POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENT / INFORMATION**

#### **1. Preface**

The Board of Directors (the “Board”) of Hinduja Ventures Limited (the “Company”) has adopted the policy and procedures with regard to determination of Materiality of Events or Information which are required to be disclosed to the Stock Exchanges, in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (the “Policy”). This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations

#### **2. Purpose of the Policy**

The purpose of this Policy is to determine materiality of events and information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make proper and timely disclosure of events / information specified in para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

#### **3. Definitions:**

“**Board**” shall mean the Board of Directors of the Company;

“**Company**” shall mean Hinduja Ventures Limited

“**Compliance Officer**” shall mean the Company Secretary of the Company;

“**Chief Financial Officer**” or “**Head Of Finance**”, by whatever name called, shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognised stock exchange(s) in its filing under these regulations;

“**Key Managerial Personnel**” means a key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013 i.e.-

1. Chief Executive Officer (CEO)/ Managing Director (MD)/ Manager
2. Whole-time Director (WTD)
3. Chief Financial Officer (CFO)
4. Company Secretary (CS)
5. Such other office as may be prescribed.

“**Officer**” means as assigned to the term in clause (59) of Section 2 of the Companies Act, 2013 and shall include Promoters of the Company.

“**Promoter**” means as assigned to the term in clause (za) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

#### **4. Criteria for determination of materiality of events / information**

The Company shall consider the criteria as specified in clause (i) of sub-regulation 4 of Regulation 30 of the Listing Regulations for determination of materiality of events / information.

#### **5. Disclosure of events or information**

##### **A. The following events / information (specified in para A of Part A of Schedule III to the Listing Regulations) upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality:**

- 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 of the Company, 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 Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the company; or
    - b. there has been a change in holding from the last disclosure made under sub clause (a) of clause (ii) above and such change exceeds two per cent of the total shareholding or voting rights in the 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 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 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, 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; and

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

**B. The following events / information (specified in para B of Part A of Schedule III to the Listing Regulations) upon occurrence of which the Company shall make disclosure to the Stock Exchanges after following the procedural guidelines as given in point 5C of this Policy:**

- 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. The Events as enumerated in point 5 (B) above shall be considered material only on application of the following guidelines:**

- 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; or
- c) 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 lower of 5% of the net turnover or revenue or 10 % of the net worth of the Company based on the last available audited 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.

**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. and brief details thereof;
- 2) 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;

**6. Disclosure to the Stock Exchanges under Regulation 30:**

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

**7. Authority for making Disclosures:**

The Board has authorized Key Managerial Personnel of the Company viz i.e. Whole-Time Director and Chief Financial Officer or Company Secretary or all 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 also be uploaded on the Company's website.

Once 'materiality of events' 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. The disclosure shall be uploaded on the website of the Company for a minimum period of five years and thereafter as per the Archival policy of the Company.

**8. Amendment:**

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

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