

PTC INDIA FINANCIAL SERVICES LIMITED
NEW DELHI

**Policy on determination of materiality of events/ information for
making disclosures by the Company**

PURPOSE OF POLICY

In an endeavour to promote transparent and close communication with the shareholders, the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every listed company to have a policy on determination of material events and disclosures thereof.

This Policy outlines the guidelines to be followed by the Company for the consistent, transparent, regular and timely public disclosure and dissemination of material events/information. The Company is committed to factual, timely and accurate disclosure based on applicable legal and regulatory requirements.

OBJECTIVE OF POLICY

This Policy has been framed with the objective of providing adequate and appropriate disclosures that are consistent with the facts of the material events. The current Policy mechanisms regulate:

- the procedure determining the materiality of the events/information,
- the procedure governing the disclosure of the events that are deemed to be material;
- to decide upon the instance when the material events have occurred and the time frame within which the information is to be disclosed.

DEFINITIONS

- i. **“Company”** mean “PTC India Financial Services Limited”;
- ii. **“Board”** means the board of directors of the Company;
- iii. **“Compliance Officer”** means Company Secretary of the Company
- iv. **“Key Managerial Personnel or KMP”** means officials of the Company who has been designated as KMP by the Board as per the provisions of Companies Act, 2013
- v. **“Listing Regulations”** means the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time

- vi. **“Policy”** means this Policy on Determination of Materiality of events or information for making disclosure by the Company.
- vii. **“Schedule III”** means Schedule III of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- viii. **“Subsidiary Company”** means a subsidiary as defined under Section 2 (87) of Companies Act, 2013

Any other term not defined herein shall have the same meaning as ascribed to it under the Companies Act, 2013, Listing Agreement, Listing Regulations framed by the Securities Exchange Board of India or any other relevant regulation/legislation applicable to the Company and/or the rules and regulations made thereunder.

DISCLOSURE OF MATERIAL INFORMATION

- (a) Company shall make disclosures of any events or information which, are material in nature to the stock exchange.
- (b) Events specified in Para A of Schedule III of the Listing Regulations are deemed to be material events and are specified in Annexure- A of this policy. The Company shall make disclosure of such events.
- (c) Events specified in Para B of Part A of Schedule III, of the Listing Regulations as listed in Annexure ‘B’ of this Policy or any other events or information , shall be treated as material based on application of the guidelines for materiality, as specified hereinafter.

CRITERIA FOR DETERMINING OF MATERIALITY OF EVENTS/ INFORMATION

Materiality will be determined on case to case basis depending on the facts and the circumstances pertaining to the event or information. The Company shall consider the following criteria for determining the materiality of the events:-

- (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 the opinion of the MD & CEO, the event or information is considered material.

WHEN AN EVENT/INFORMATION HAS OCCURRED

The Company may be confronted with the question as to when an event or information can be said to have occurred.

In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc., and the answer would depend upon the timing when the Company became aware of the event/information.

Any event or information can be said to occur in the following manner:

- (a) Event(s) or information occurred which have been initiated by the Company can be said to have occurred upon receipt of approval or decision of Board of Directors e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

- (b) Event(s) or information other than those covered in (a), can be said to have occurred when a Company becomes aware of the events/information, or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the Company.

PERSONS RESPONSIBLE FOR DETERMINING MATERIALITY & DISCLOSURE

- (a) The MD & CEO of the Company is authorized for the purpose of determining materiality of an event or information other than those mentioned in Annexure A to this policy.
- (b) The Authorized person will ascertain the materiality of such event (s) or information based on the above guidelines.
- (c) On completion of assessment, the Compliance Officer shall be responsible for disclosing the information to Stock Exchange(s) under regulation 30 of the Listing Regulations along with posting the same on the Company's website.

TIME FOR DISCLOSURE OF INFORMATION TO STOCK EXCHANGE

- (a) For events or information other than those mentioned in Annexure A, the Functional Head with approval of MD & CEO of the Company shall after determining its materiality, would inform the same to the Compliance officer for necessary action.
- (b) The Company shall first disclose to stock exchange(s) of all events or information, as specified in Annexure A or any other event or information whether specified in Annexure B or not and considered material , as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information:

Provided that in certain unavoidable circumstances or due to confidentiality of information for a limited period of time, the Company might delay in disclosing the material event/information to the stock exchange, in that case the disclosure regarding delay in disclosing the material event/ information along with the reasonable explanation and clarification will be disseminated to the stock exchange by the Compliance Officer of the Company.

Provided further that disclosure with respect to events specified in para 4 Annexure A shall be made within thirty minutes of the conclusion of the board meeting.

- (c) The Company shall disclose all events or information with respect to subsidiaries, if any, which are material for the Holding Company to the stock exchange, not later than twenty four hours from the occurrence of event or information. The MD & CEO of the company will decide the materiality of any events or information relating to its subsidiaries.
- (d) The Company shall, with respect to disclosures referred to in the regulation 30, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- (e) The Compliance officer of the Company shall furnish reply to the stock exchange on the queries raised by the exchange in relation to any event or information disclosed to it within reasonable time period say in seven days.

HOSTING OF INFORMATION ON WEBSITE

The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the regulation 30 of the Listing Regulations, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.

COMPLIANCE OFFICER:

The Company Secretary of the Company shall be the Compliance Officer of the Company.

EFFECTIVE DATE:

The above said Policy is approved by Board in its meeting held on 08th February, 2016 and shall be effective from date of the approval.

REVIEW OF THE POLICY

This Policy may be amended with the approval of MD & CEO as may be deemed necessary and in accordance with any regulatory amendments.

Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail. Any amendments to the Listing Regulations shall mutatis mutandis be deemed to have been incorporated in this Policy.

Annexure - A

Details which a Company needs to disclose for the events that are deemed to be material as specified in Para a of Part A of Schedule III of Listing Regulations

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 subpara and such change exceeds two percent 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:
 - 4.1. 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;
 - 4.2. any cancellation of dividend with reasons thereof;
 - 4.3. the decision on buyback of securities;
 - 4.4. the decision with respect to fund raising proposed to be undertaken;
 - 4.5. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
 - 4.6. 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;

- 4.7. short particulars of any other alterations of capital, including calls;
- 4.8. financial results;
- 4.9. decision on voluntary delisting by the Company from stock exchange(s);

5. Agreements (viz. shareholder agreement(s) and joint venture agreement(s) except for nonmaterial and routine one (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 the Company 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 (“CDR”)

10. One time settlement (OTS) 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 Company.:

13. Proceedings of annual and extraordinary general meetings of the Company in brief

14. Amendments to memorandum and articles of association of Company, in brief.

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

Annexure - B

Details which a Company need to disclose for events on which the Company may apply materiality in terms of Para B of Part A of Schedule III of Listing Regulations

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 apart from its main business that is not incidental to the main objects of the Company
 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 main business activities of the Company due to reasons beyond the control of the Company.
 7. Material 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 which are not in normal course of business.
 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 above, the Company may make disclosures of event/information as specified by its Board of Directors from time to time.