

ANANDRATHI
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Anand Rathi Wealth Limited

Policy for determination of Materiality of an event or information

(Amended as per SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment)
Regulations, 2023)

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Document Control

Version	Author	Reviewer	Approved by	Date
Version – 1	Hardik Chauhan	Rajesh Bhutara	Board of Director	15 th November, 2019
Version – 3	Nitesh Tanwar	Rajesh Bhutara	Board of Director	12 th July, 2023

Preamble

This Policy is prepared in accordance with the requirements under regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which mandates the Company to make disclosures of any events or information which, in the opinion of the Board of Directors, is material.

The Policy

The policy applies in respect of disclosure of material events / information occurring within the Company. This policy is in addition to and does not deviate from the Company's code of practices and procedures for fair disclosure of unpublished price sensitive information.

The Company Secretary will be the custodian of the disclosure process. In the event of absence of the Company Secretary, his powers and functions shall be undertaken by a Key Managerial Personnel. The contact details of the above person(s) viz., email id and telephone number, shall be disclosed to the stock exchange(s) and as well as on the Company's website.

Materiality Assessment

Information should be regarded as "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security. Either positive or negative information may be material.

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information / event. The primary approach for determining materiality will be qualitative. The quantitative criteria given hereunder shall be used as a guide or reference for determining materiality and arriving at the overall decision on reportability of the event.

In addition to the above, the materiality of any events or information for disclosures may be determined based on the following threshold limits:

*[Any events or information shall be considered as material, if the value or expected impact in terms of value, exceed the lower of the following:

- i) 2% of turnover as per last audited consolidated financial statements;

* *Inserted by passing Board Resolution on 12th July, 2023, pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023*

- ii) 2% of net worth as per last audited consolidated financial statements (not applicable if in negative);
- iii) 5% of average net profit or loss after tax of last 3 consolidated financial statements.

However if the criteria above is not applicable but if in the opinion of BODs the events or information if material, it may be disclose.]

Financial information is particularly sensitive. For example, non-public information about the results of the Company's operations for even a portion of a quarter or the portion of the business might be material in helping an analyst predict the Company's financial results for the quarter. Other examples of information that would normally be regarded as "material" include the following, although the list is not exhaustive:

- a) Financial results, financial condition, projections or forecasts;
- b) Known but unannounced future earnings or losses;
- c) Significant corporate events, such as a pending or proposed acquisition or joint venture;
- d) Plans to launch new products or features or significant product defects;
- e) Significant developments involving business relationships with customers, suppliers or other business partners;
- f) The status of the Company's progress toward achieving significant goals;
- g) Changes in auditor or auditor notification that the issuer may no longer rely on an audit report;
- h) Events regarding the Company's securities (such as repurchase plans, stock splits or changes in dividends, changes to the rights of security holders, public or private sales of additional securities or information related to any additional funding);
- i) Bankruptcies, receiverships or financial liquidity problems;
- j) Positive or negative developments in outstanding litigation, investigations or regulatory matters or
- k) Known but un-announced changes in the members of the senior management, Board of Directors or the Key managerial personnel.

Disclosures

- a) The disclosures in respect of events and information specified in sub-para 4 of Para A of Part A of Schedule III of Listing Regulations shall be made within 30 minutes of the conclusion of the Board meeting in which the respective event or information is approved.

- b) †[The Company shall disclose material events or information to stock exchanges as per the following timeline:
- a. Within 30 minutes from the Board Meeting in which decision taken;
 - b. Within 12 hours, if the information is emanating from the Company; and
 - c. Within 24 hours, if the information is not emanating from the Company.]
- c) All other events and information falling under Part A of Schedule III of Listing Regulations apart from those specified in (a) above shall be disclosed to the Stock Exchanges as soon as reasonably possible but not later than twenty four hours from the occurrence of event or information.

In case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall provide explanation for the delay along with the disclosure.

- d) Events listed in Schedule III, Part A, Para B to the Listing Regulations shall be disclosed based on application of the criteria listed below:

‡[For the purpose of assessing whether a particular transaction or the amounts involved in that transaction are "material" the following information will also be considered, although the list is not exhaustive:

- i. 2% of turnover as per last audited consolidated financial statements;
- ii. 2% of net worth as per last audited consolidated financial statements (not applicable if in negative);
- iii. 5% of average net profit or loss after tax of last 3 consolidated financial statements.]

Amendments to Policy

Any change in the Policy shall be approved by the Board of Directors. The Board 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 in this respect shall be final and binding. Any subsequent amendment / modification in the Listing Regulations and / or any other laws in this regard shall automatically apply to this Policy.

† *Inserted by passing Board resolution on 12th July, 2023, pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023*

‡ *Amended by passing Board resolution on 12th July, 2023, pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023*