



SPICE MOBILITY LIMITED

**Policy for Determination
Of
Materiality of Events/Information**

(Effective from December 1, 2015)

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

1. Preface

The Board of Directors (the “Board”) of Spice Mobility Limited (the “Company”) has adopted this ‘Policy for Determination of Materiality of Events / Information’ (“the Policy”) of the Company for determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges and making prompt disclosure as required under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) from time to time.

2. Purpose of the Policy

The purpose of this Policy is to prescribe the process for determination of materiality of events and information based on criteria specified under Regulation 30 (4) of the ‘Listing Regulations’ and to ensure that the Company make disclosure of events / information specified in Schedule III of the Listing Regulations which are material.

3. Definitions

- i. **“Act”** shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.
- ii. **“Listing agreement”** shall mean an agreement that is to be entered into between a recognized stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015.
- iii. **“Material Events” or “Material Information”** shall mean such events or information as set out in the Schedules of this Policy or as may be determined in terms of Clause 4 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.
- iv. **“SEBI”** means the Securities and Exchange Board of India.

Any other term not defined herein shall have the same meaning as defined in the Act, Listing Agreement, Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

4. Criteria for determination of Materiality of Events / information

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

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. 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;

- iii. In case where the criteria specified in sub-clauses i) and ii) are not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

5. Determination of Material Events/Information

- i. The events/ information specified in Para A of Part A of Schedule III of the Listing Regulations, as provided in **Annexure I** of this Policy, are deemed to be material events and the Company shall make disclosure of such events without any application of the guidelines for materiality.
- ii. The events/ information specified in Para B of Part A of Schedule III of the Listing Regulation, as provided in **Annexure II** of this Policy, shall be disclosed, based on application of the guidelines for materiality as specified in this Policy.
- iii. 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 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.
- iv. Without prejudice to the generality of Para (i), (ii) and (iii) above, the Company may make disclosures of events/information as specified by SEBI from time to time.
- v. The events or information with respect to subsidiaries which are material for the Company.

6. Procedure for Determination of Materiality of Events/ Information

In order to ensure that the Company complies with the disclosure obligations under Regulations 30 of the Listing Regulations, the Board has established an internal system for reporting any event / information which may require disclosure so that the event / information can be properly assessed and decision can be made regarding its disclosure to the Stock Exchanges.

Under the system, all functional heads, who are responsible for specific areas of the Company's operations, shall report any event / information which is material or may possibly be material or of which the functional heads are unsure as to its materiality to Managing Director/ Whole Time Director/ Chief Executive Officer and Chief Financial Officer and Company Secretary for the time being of the Company. Such events / information should be reported immediately after a functional head becomes aware of it.

On receipt of communication or being aware of material or potential material event / information, the Key Managerial Personnel, comprising of the Managing Director/ Whole Time Director/ Chief Executive Officer/Manager and Chief Financial Officer and Company Secretary for the time being of the Company will:

- i. Review the event / information;

- ii. Assess whether the event / information is required to be disclosed to the Stock Exchanges under the Listing Regulations;
- iii. Decide about the information to be disclosed to Stock Exchanges and the time of disclosure as required under the Listing Regulations.

7. Disclosure of Material Events/ Information

- i. **Disclosure to Stock Exchanges and on website:** The Company Secretary will disclose the material events / information to the Stock Exchanges and ensure that all such announcements made to the Stock Exchanges are also disclosed on the website of the Company.
- ii. **Updating Material Developments on a Regular Basis:** The Company shall, with respect to disclosures referred to in these Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

8. Time Period for Disclosure

The Company shall make disclosure to Stock Exchange(s) of all material events/ information as required under Listing Regulations, within the prescribed time limit but not later than twenty four hours from the occurrence of information or event and/or on becoming aware of it.

Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the company shall, along with such disclosures provide explanation for delay.

9. 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.

10. Others

- i. This Policy and the contact details of the Key Managerial Personnel as authorized by the Board for the purpose of determining materiality of the events or information and for making disclosure will be disclosed on the website of the Company.
- ii. The Company will provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any events or information.
- iii. The Company may on its own initiative also, confirm or deny any reported event or information to Stock Exchanges.

A. The following are the events / information presently 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, 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;

Annexure II

The following are the events / information presently 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 specified in the 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.