

# CENTRUM CAPITAL LIMITED

## POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURES

### 1. Background

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Centrum Capital Limited (“the Company”) is committed to being open and transparent with all stakeholders and believes in disseminating information in a fair and timely manner. The Company’s securities are listed on the BSE Limited (BSE) and the Company must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). The Listing Regulations are effective December 1, 2015. Listing Regulations mandate listed entities to formulate a Policy for determining materiality of events or information that warrant disclosure to its stakeholders. It is in this context that the Policy on Determination of Materiality for Disclosure(s) (“Policy”) is being framed and implemented.

### 2. Definitions

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In this Policy, unless the context requires otherwise:-

- a. “Board of Directors” shall mean the Board of Directors of Centrum Capital Limited.
- b. “Chief Financial Officer” or “whole time finance director” or “head of finance”, by whatever name called, shall mean the person heading and discharging the finance function of the Company as disclosed by it to the recognized stock exchange(s) in its filing under the Listing Regulations.
- c. “Key Managerial Personnel” means Managing Director, Chief Financial Officer and Company Secretary of Centrum Capital Limited.
- d. “Officer” includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act and includes Promoter of the Company.
- e. "Promoter" and "Promoter Group" shall have the same meaning as assigned to them respectively in clauses (za) and (zb) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- f. “Holding” means a holding as defined under sub-section(46) of section 2 of the Companies Act, 2013;

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder, shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

### 3. Objective of the Policy

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The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other legislations (In India and Overseas).
- b. To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of the specific event or information.
- c. To ensure that to the best of the knowledge of the Management, the corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of Material/ Price sensitive information within the context of the Company's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

### 4. Type of Information

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The information covered by this Policy shall include "information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions (hereinafter referred to as "material information") that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality. Events or information that is to be disclosed based on materiality principle are specified in Annexure 1 to this Policy (illustrative in nature).

Events or information that is to be disclosed without any application of the guidelines for materiality are specified in Annexure 2 to this Policy.

### 5. Person(s) Responsible for Disclosure

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**Authority to determine:** The Managing Director and the Chief Financial Officer ("CFO") are authorized (Authorized Persons) for the purpose of determining materiality of an event or information.

**Authority of disclosures:** The Managing Director, CFO and Company Secretary are severally authorized for making disclosures of such material event or information.

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- a. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.

- b. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information and in line with the regulatory requirement.
- c. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/ closed, with relevant explanations.
- d. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- e. To disclose all events or information with respect to the subsidiaries which are material for the Company.

## 6. Guidelines for Assessing Materiality

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

The following criteria will be applicable for determination of materiality of event or information:–

- a) The omission of an event or information which is likely to :
  - result in a discontinuity or alteration of an event or information already available publicly;  
or
  - result in significant market reaction if the said omission came to light at a later date;
- b) In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.

## 7. Guidance on Timing of an Event or Information

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The Company may be confronted with the question as to when an event/ 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 to the above question would depend upon the timing when the Company became aware of the event/information.

In the former, the events/information (based on the facts and circumstances), can probably be said to have occurred upon receipt of approval of Board of Directors.

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.

In the latter, the events/information can be said to have occurred when the 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.

Disclosure(s) as required under the Listing Regulations will be made within 30 minutes of the conclusion of the Board Meeting or within 24 hours from the time the event occurred or the officer(s) becomes aware of the event or information, as applicable.

#### 8. Obligations of Internal Stakeholders and Authorized Person for Disclosure

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- a. Any event or information, including the information forming part of Annexure 1 and Annexure 2 to the Policy shall be forthwith informed to the Authorized Person(s) upon occurrence, with adequate supporting data/ information, to facilitate a prompt and appropriate disclosure to the stock exchanges.
- b. The Authorized Person will then ascertain the materiality of such event(s) or information based on the above guidelines.
- c. On completion of the assessment, the Authorized Person shall, if required, make appropriate disclosure(s) to the Stock Exchanges.

#### 9. Amendment to Policy/ Policy Review

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The Board of Directors could amend this Policy, as and when deemed fit.

The Chairman is authorized to make appropriate changes to the above policy as he/ she may deem expedient taking into account the law for the time being in force and subject to approval of the Board.

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.

## 10. Website

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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 such disclosures shall be made available on the website of the Company as per the Document Retention and Archival Policy of the Company.

## 11. Contact Details

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Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Chief Financial Officer, who is in charge of administering, enforcing the policy.

Shailendra Apte  
Chief Financial Officer (CFO)  
Centrum Capital Limited  
Centrum House  
C.S.T. Road, Vidyanagari Marg,  
Kalina, Santacruz (East)  
Mumbai - 400 098  
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### **Note:**

Last reviewed on: August 31, 2017

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## Annexure 1

### Events or Information that are to be disclosed based on Materiality Guidelines listed 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. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
4. 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.
5. Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc. , which have a material impact on the Company's ability to perform its functions effectively.
6. Significant impact on the Company's operations or reputation arising out of change in the regulatory framework.
7. Litigation(s) / dispute(s) / regulatory action(s) that may have a significant impact on the operations or reputation of the Company.
8. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
9. Options to purchase securities including any ESOP/ESPS Scheme.
10. Giving guarantees or indemnity or becoming a surety for any third party (Other than those given to the Group Companies, Holding Company, Subsidiary Company and Associates).
11. Granting, withdrawal, surrender, cancellation or suspension of key/material licenses or material regulatory approvals.
12. 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.

Annexure 2

Events or Information that are to be disclosed WITHOUT application of Materiality Guidelines listed in the Policy

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 Company 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 Company 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 Company 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 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.
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 Company.
13. Proceedings of Annual and extraordinary general meetings of the Company.
14. Amendments to memorandum and articles of association of Company, in brief.
15. Schedule of Analysts or institutional investors meets and presentations on financial results made by the Company to analysts or institutional investors.

**Note:** The Policy was approved by the Board of directors at its meeting held on 12th February, 2016.

Last reviewed on: August 31, 2017

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