

ANANDRATHI
Wealth Management. uncomplicated

Anand Rathi Wealth Services Limited

Policy On Determination Of Materiality
Of An Event/ Information

1. Preamble:

The Securities and Exchange Board of India (“SEBI”), vide its Notification dated September 2, 2015, has issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In accordance with regulation 30 of the Listing Regulations, the Company is mandated 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is in addition to and does not deviate from the Company’s code of practices and procedures for fair disclosure of unpublished price sensitive information.

2. Authorised Persons

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 personnel viz., email id and telephone number, shall be disclosed to the stock exchange(s) and as well as on the Company’s website.

3. 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.

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 businesspartners
- f) The status of the Company's progress toward achieving significantgoals
- g) Changes in auditor or auditor notification that the issuer may no longer rely on an auditreport
- 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 liquidityproblems:
- j) Positive or negative developments in outstanding litigation, investigations or regulatory mattersor
- k) Known but un-announced changes in the members of the senior management, Board of Directors or the Key managerialpersonnel.

For the avoidance of doubt, events listed in Schedule III, Part A, **Para A** to the Listing Regulations, which are reproduced in **Annexure A** to this policy are **deemed to be material events** and as such shall be disclosed. Events listed in Schedule III, Part A, **Para B** to the Listing Regulations, which are reproduced in **Annexure B** to this policy, shall be disclosed based on application of the criteria listedbelow.

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:

1. The consideration involved in the transaction as a percentage of Company's annualrevenue
2. The consideration involved in the transaction as a percentage of Company's fixed assets and as a percentage of Company's totalassets
3. Whether the transaction in the ordinary course ofbusiness
4. Whether a related party is involved in thetransaction
5. Whether the transaction represents a significant shift in the Company's strategy
6. Whether the transaction is an exit from, or entry into, a significant line of business.

4. Amendments to Policy:

This Policy may be amended by the Board from time to time if and when considered necessary, provided that no such amendments shall be valid or effective which are contrary to or inconsistent with the Regulations.

5. Effective Date : The Policy shall stand effective with immediate effect.

SCHEDULE III

PART A: DISCLOSURES OF EVENTS OR INFORMATION ON SPECIFIED SECURITIES

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation(30):

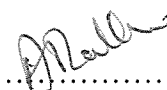
1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/ restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.
Explanation.- For the purpose of this sub-para, the word acquisition“ 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 saidcompany.
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 securitiesetc.
3. Revision inRating(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) Dividend 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 subscribers;
 - 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;

SCHEDULE III

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation(4) of regulation(30):

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, lockout 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/ESPSScheme.
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.


.....
Chairman