

# **PROVESTMENT SERVICES LIMITED**

**“POLICY FOR DETERMINATION OF MATERIALITY  
OF EVENTS AND INFORMATION FOR DISCLOSURE  
TO THE STOCK EXCHANGES”**

This Policy for determination of materiality of events and information for disclosure to the Stock Exchanges (hereinafter referred to as 'the Disclosure Policy or this / the Policy') is framed in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Regulations 2015').

A. The following will be disclosed to the Stock Exchanges any time after the decision is taken or approval is granted but no later than 30 minutes of the conclusion of the meeting of the Board of Directors of the Company (hereinafter referred to as the 'Board'):

- (i) Approval of financial results;
- (ii) Recommendation of dividend to the shareholders or declaration of interim dividend, including the date of payment of dividend recommended / declared;
- (iii) Decision of not to recommend dividend;
- (iv) Approval / recommendation to the shareholders of fund raising proposal through issue of securities or acceptance of deposits from the members / public;
- (v) Recommendation to the shareholders for issue of bonus shares and related information;
- (vi) Approval / recommendation to the shareholders for buy back of securities;
- (vii) Approval of forfeiture of securities, re-issue of forfeited securities or alteration of call(s) on securities;
- (viii) Recommendation to the shareholders for alteration of share capital;
- (ix) Approval / recommendation to the shareholders for voluntary delisting of the Company's securities from one or more Stock Exchange(s).

B. The following events / information will be disclosed to the Stock Exchanges as soon as possible but no later than 24 hours of the **occurrence of the event / information**:

- (i) Approval of the Board for acquisition, directly or indirectly, of control of a company, or entering into agreement for this purpose.
- (ii) Acquiring or agreeing to acquire, directly or indirectly, shares / voting rights of a company, such that the shareholding / voting rights aggregate 5%\* or more of that company's total shareholding / voting rights.
- (iii) Changes in shareholding in a company from the last disclosure made to the Stock Exchanges under Clause (ii) above, when such change exceeds 2%\* of that company's total shareholding / voting rights.
- (iv) Recommendation by the Board to the shareholders of a Scheme of Arrangement for amalgamation, merger, demerger or other such restructuring;
- (v) Approval of the Board / recommendation by the Board to the shareholders for sale or disposal of a Manufacturing Unit / Hotel / Division of the Company or sale or disposal of a Subsidiary of the Company.
- (vi) Issue of securities by way of rights, bonus shares or in any other manner, alteration of capital and sub-division or consolidation of shares.
- (vii) Forfeiture of securities, re-issue of forfeited securities or alteration of call(s) on securities.
- (viii) Redemption of securities of the Company.
- (ix) Buyback of securities of the Company.
- (x) Recommendation by the Board to the shareholders for alteration in the terms of securities of the Company.

- (xi) Imposition of restriction on transferability of securities of the Company by any authority #.
- (xii) Change in Directors, Key Managerial Personnel (KMP), Statutory Auditors and Compliance Officer appointed under the Regulations 2015.
- (xiii) Notices, call letters, resolutions and circulars sent to and advertisements issued for the information of all shareholders / creditors / debenture holders, or any class thereof.
- (xiv) Brief details of General Meeting held.
- (xv) Recommendation by the Board to the shareholders for amendment to Memorandum and Articles of Association of the Company.
- (xvi) Schedule of analysts or institutional investors' meet organized by the Company and presentations on financial results made by the Company to analysts or institutional investors at such meets.

The Company will ensure that no material information is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders. In the unlikely event of any material information being disclosed selectively, inadvertently or otherwise, at a meeting with analysts or at any investor relations conference, such information would be promptly disclosed to the Stock Exchanges.

- (xvii) Knowledge of fraud by KMP or by the Company or arrest of KMP #.
- (xviii) Occurrence of default by KMP or the Company (and not merely procedural default) #.

- (xix) Entering into shareholder agreement or joint venture agreement, to the extent that it impacts management and control of the Company, or entering into agreement with media companies which is binding and not in the normal course of business, including amendment thereto or termination thereof.
  - (xx) Corporate debt restructuring and one time settlement with banks.
  - (xxi) Reference to BIFR and winding-up petition filed by any party / creditors<sup>#</sup>.
  - (xxii) Rating of securities of the Company by a credit rating agency, including revision, if any.
  - (xxiii) Approval of the Board for appointment or discontinuation of Share Transfer Agents.
- C. The following events / information will be disclosed to the Stock Exchanges as soon as possible but no later than 24 hours of the **occurrence of the event / information**, if the impact of such event / information on the Company exceeds 10% of its gross turnover or 10% of its net worth, whichever is higher, such turnover / net worth to be based on the latest audited annual financial statements of the Company:
- (i) Commencement or postponement in the date of commencement of commercial production or commercial operations of a Manufacturing Unit / Hotel / Division of the Company.
  - (ii) Change in the general character or nature of business of the Company through strategic, technical, manufacturing or marketing tie-up with external party.
  - (iii) Adoption of new line of business or closure of operations of a Manufacturing Unit / Hotel / Division of the Company.
  - (iv) Capacity addition.
  - (v) Category or Product launch.

- (vi) Disruption of operations of a Manufacturing Unit / Hotel / Division of the Company due to natural calamity (force majeure events) or events such as strikes, lockouts etc. #
- (vii) Change in regulatory framework impacting the business of the Company #.
- (viii) Litigation / dispute / regulatory action against the Company or its KMP #.
- (ix) Knowledge of fraud by Directors or employees, other than KMP, of the Company #.
- (x) Occurrence of default by Directors or employees, other than KMP, of the Company (and not merely procedural default) #.
- (xi) Recommendation by the Board to the shareholders to a Scheme for grant of Stock Options under the SEBI (Share Based Employee Benefits) Regulations, 2014.
- (xii) Details of grant, vesting and exercise of Stock Options under the Company's Employee Stock Option Schemes, where such grant, vesting or exercise exceeds 1% of the paid-up share capital of the Company, based on the latest audited annual financial statements of the Company.
- (xiii) Giving of guarantee or indemnity or becoming a surety for a third party.
- (xiv) Granting, withdrawal, surrender, cancellation or suspension of key license or regulatory approval #.
- (xv) Awarding / receiving orders or contracts not in the normal course of business, including amendment thereto or termination thereof #.
- (xvi) Entering into agreement for borrowing money or any other agreement which is binding and not in the normal course of business, including amendment thereto or termination thereof.

(xvii) Any other significant development / event / information that are likely to impact the Company's business, to the extent indicated above.

(xviii) Any other material event / information which is exclusively known to the Company and needs disclosure to enable the shareholders to appraise the Company's position.

In case the materiality threshold indicated above cannot be applied to a particular event / information, the Company will disclose such event / information:

(1) when non-disclosure of the event / information is likely to result in discontinuity or alteration of event / information already available in the public domain, or

(2) it is expected that if the event / information subsequently comes in the public domain, it will impact the market price of the Company's shares to the extent of 10% or more, wholly attributable to such event / information, or

(3) If the event / information is material in the opinion of the Board.

Where the Company makes disclosures to the Stock Exchanges under Clause (A), (B) or (C) Above, the Company will also disclose material development(s) on the said event / information.

The Company will also disclose to the Stock Exchanges, with respect to its Subsidiaries, events and information which are material for the Company.

One of the Executive Directors, the Director-in-charge of Finance / Chief Financial Officer, the Company Secretary are authorized, any two of them jointly, one of whom shall be an Executive Director, to determine materiality of an event / information in terms of this Policy and to make appropriate disclosures to the Stock Exchanges.

The Disclosure Policy will be posted on the Company's corporate website [www.provestment.com](http://www.provestment.com) and events & information disclosed to the Stock Exchanges in terms of this Policy will also be kept posted on the website for at least five years\* from the date such event / information is posted.

The Disclosure Policy was adopted by the Board and will be reviewed as and when deemed necessary.

**By Order of the Board**

**Sd/-**

**Deepika Rajput  
Company Secretary**

*\* Or such other limits or time period as may be prescribed under the Regulations 2015 from time to time.*

*# Events / information will be disclosed to the Stock Exchanges as soon as possible but no later than 24 hours from the time any KMP of the Company becomes aware of such event / information in the course of performance of his duties.*

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