



## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION**

### **1. Background**

The SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015 have come to effect from December 01, 2015. The Listing Regulations mandate the listed entities to formulate a Policy for determining materiality of events or information that require disclosure to its stakeholders.

**Roto Pumps Limited** (“the Company”) is committed to being open and transparent with all stakeholders and believes in disseminating every information required in a fair, transparent and timely manner. The Company’s securities are listed on BSE Limited (BSE) and the Company has to comply with the continuous disclosure obligations as imposed by the SEBI(Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations).Thus, the Company hereby frames and implements this Policy on Determination of Materiality for Disclosure(s) (“Policy”).

This Policy for determination of materiality of events and information for disclosure to the Stock Exchange (hereinafter referred to as this Policy’) is framed in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **2. Definitions**

In this Policy, unless the context requires otherwise:-

- a. **“Board of Directors”** shall mean the Board of Directors of Roto Pumps Limited.
- b. **“Key Managerial Personnel”** shall mean the persons so defined under the Companies Act, 2013.
- c. **“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.
- d. **“Subsidiary”** means a subsidiary as defined under sub-section (87) 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 there under shall have the same meaning as has been respectively assigned to them in such Acts or rules or regulations including any statutory modification or re-enactment thereto, as the case may be.

### **3. Purpose of the Policy**

The purpose of this Policy is:

- a. To ensure that the Company complies with the disclosure obligations to which it is subjected to under the Listing Regulations, various Securities Laws and any other legislations, as may be applicable from time to time.
- b. To ensure that the information disclosed is complete, timely and transparent and serves the required purpose.
- c. To provide a framework that creates confidence for the Company among various stakeholders.

### **4. Criteria to determine materiality**

Following criteria may be applied for determining the materiality of events/information:

- a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- b) 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.
- c) any other event or information which is material in the opinion of the Board of Directors of the Company.

### **5. Authorized person(s)**

The Board of Directors of the Company has, as required by the Regulations authorized Mr. Anurag Gupta, Dy. Managing Director of the Company to determine the materiality of an event or information and to make appropriate disclosure on a timely basis.



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

- a. To assess an event or information that may qualify as being 'material' in accordance with this policy and requires 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.
- c. To consider and assess such other events or information that require disclosure(s) 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.
- d. To disclose all events or information with respect to the subsidiaries which are material for the Company.

Events or information that is to be disclosed based on materiality principle are specified in **Annexure 1** to this Policy.

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

## **6. Obligations of Authorized Person for Disclosure**

- 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.



## **7. Policy Review**

The Authorized Person is authorized to review the Policy from time to time and recommend the amendments, if any to the Board for approval..

## **8. Website**

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 for a period of five years and thereafter as per the Policy for preservation of documents.

## **9. Contact Details**

Any questions or clarifications about the Policy or disclosures made by the Company should be referred to Mr. Anurag Gupta, Dy. Managing Director who is the authorized person with regard to the overall affairs relating to this policy including administering, enforcing and updating this policy.

## **Annexure 1**

### **Events or Information that are to be disclosed based on Materiality Criteria 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. Significant 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 Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Significant impact on financial, operational, strategic or reputation arising out of change in the regulatory framework.
8. Significant Litigation(s) / dispute(s) / regulatory action(s) with that impacts the financial, operational, strategic or reputation of the Company.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving significant guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key/material licenses or material regulatory approvals.
13. 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 Criteria 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, 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 Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.