

## *Hybrid Financial Services Limited*

[Formerly known as Mafatlal Finance Company Limited]

### POLICY ON DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION FOR DISCLOSURE

#### **1) Background**

Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations), requires the Company to frame a policy for determination of materiality of events or information for disclosure of items listed in Para B of Part A of Schedule III of the SEBI Listing Regulations.

#### **2) Objective**

The objective of the Policy is to determine materiality of events or information and to disseminate the information in a timely manner to enable the investors to make well informed decisions.

#### **3) Disclosure of Material Events or Information**

The Company shall ensure prompt disclosure of all material events/information (that are intended to be made public or are required to be made public as per statutory regulations) to the stock exchange(s), where the securities of the Company are listed, as soon as reasonably possible and not later than 24 (twenty-four) hours from the occurrence of event or information:

Provided that in case the disclosure is made after 24 (twenty-four) hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for delay.

Provided further that disclosure with respect to events specified in sub-para 4 of "Annexure A" shall be made within 30 (thirty) minutes of the conclusion of the Board Meeting.

The disclosure of Events or Information to the stock exchange(s) shall be made as follows:

a) The events specified in “Annexure A” of this Policy as applicable as per Para A of Part A of Schedule III of the SEBI Listing Regulations, on occurrence, will be considered material irrespective of their size, volume, frequency or any other criteria and same be disclosed to the stock exchanges where the securities of the Company are listed.

b) The events specified in “Annexure B” of this Policy as applicable as per Para B of Part A of Schedule III of the SEBI Listing Regulations shall be disclosed upon application of the guidelines for materiality as per clause 4 of the Policy.

#### **4) Policy**

The Company shall consider the following criteria for determination of materiality of event or information for disclosure of items listed in “Annexure B” as applicable as per Para B of Part A of Schedule III of the SEBI Listing Regulations:

(a) any information or event which is likely to affect the operations of the Company by 20% of turnover or policy changes or any economic or political changes that may significantly affect the operations of the Company; or

(b) the omission of an event or information, is likely to result in discontinuity or alteration of event or information already available publicly; or

(c) 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; or

(d) any information or event not covered in (a) to (c) above which in the opinion of the Board of Directors of the Company, is considered material.

#### **5) Amendments**

The Board may amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy.

#### **6) Effective date**

This Policy is effective from 1<sup>st</sup> April, 2022.

## ANNEXURE A

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. 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:

- (i) 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;
- (ii) any cancellation of dividend with reasons thereof;
- (iii) the decision on buyback of securities;
- (iv) the decision with respect to fund raising proposed to be undertaken;
- (v) increase in capital by issue of Bonus Shares through capitalization including the date on which such Bonus Shares shall be credited/ dispatched;
- (vi) 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;
- (vii) short particulars of any other alterations of capital, including calls;
- (viii) financial results;
- (ix) decision on voluntary delisting by the Company from stock exchange(s).

4. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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.
5. Fraud/ defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.
6. Change in directors, key managerial personnel (including Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
7. Appointment or discontinuation of share transfer agent.
8. Corporate debt restructuring.
9. One-time settlement with a Bank.
10. Reference to BIFR and winding-up petition filed by any party/creditors.
11. 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.
12. Proceedings of Annual and extraordinary general meetings of the listed entity.
13. Amendments to memorandum and articles of association of listed entity, in brief.

## ANNEXURE B

1. Change in the general character or nature of business brought about by arrangements for strategic, technical or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
2. Capacity addition
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 listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts, economic recession etc.
6. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
7. Litigation(s) / dispute(s) / regulatory action(s) with impact.
8. Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of listed entity.
9. Options to purchase securities including any ESOP/ESPS Scheme.
10. Giving of guarantees or indemnity or becoming a surety for any third party.
11. Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.
12. Any other events / information which is exclusively known to the Company and 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.