



## **REDINGTON LIMITED**

### **POLICY ON DISCLOSURE OF MATERIAL EVENTS**

Policy approved by	:	Board of Directors of Redington Limited <i>(Formerly known as Redington (India) Limited)</i>
Date of approval of the current version	:	November 6, 2023
Policy effective from	:	October 29, 2015
Version No.	:	RL/MATPOLICY/03

## **Introduction**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"), requires every listed company to formulate a policy for determination of materiality based on criteria specified in the Regulations. The policy on disclosure of material events or information ("policy") was first adopted by the Board of Directors of Redington Limited ("the Company") on October 29, 2015, and modified on November 6, 2023, in compliance with the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.

## **Purpose**

Redington Limited ("the Company") stands committed to adherence of disclosure requirements and obligations relating thereto specified by SEBI pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board of Directors of the Company believes in total transparency in the matter of disclosures as required under the Listing Regulations including material events as and when they occur.

This policy is to determine the event(s) and information(s) which, in the opinion of the Board of Directors of the Company, are considered material and are required to be disclosed to the Stock Exchanges within the time limits as prescribed in the Regulations and as per the Policy. This Policy provides guidance to the Board of Directors of the Company and the Key Managerial Personnel(s) "**KMP(s)**" as defined under the Companies Act, 2013, as authorised by the Board of Directors to determine, identify and categorize events as material and make necessary disclosure to the Stock Exchanges and on the website of the Company.

The Policy also aims to establish internal procedures to apprise officials of the Company of their obligations relating to systematic identification, categorization, review and disclosure of events or information which may have a material impact on the performance or operations of the Company, and which may materially affect the share prices of the Company.

## **Criteria For Determining Materiality of Event or Information**

The Company shall make disclosures of any events or information which, in the opinion of the Board of Directors of the Company, is material. Events or Information specified in Para A of Part A of Schedule III are deemed to be material events and the Company shall make disclosure of such events. The Company shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified in sub-regulation (4).

The Company shall consider the events or information as Material if it meets any of the following criteria:

- a) Omission of an event or information which is likely to result in discontinuity or alteration of event or information already available publicly.
- b) 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) Omission of an event or information, whose value, or the expected impact, in terms of value, exceeds the lower of the following:
  - (i) two percent of turnover, as per the last audited consolidated financial statements of the Company
  - (ii) two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative.
  - (iii) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company.

In case where the criteria specified in sub clause (a), (b), and (c) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company, the event/information is considered material.

#### **Disclosure of information - Timelines**

The Company shall first disclose to the Stock Exchange(s) all events or information which are material as soon as reasonably possible and, in any case, not later than the following:

- (a) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken.
- (b) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company.
- (c) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

The disclosure with respect to events for which timelines have been specified in Part A of Schedule III of Listing Regulations shall be made within such timelines. In case the disclosure is made after the timelines specified under this regulation, the Company shall, along with such disclosure provide the explanation for the delay.

#### **Application of Guidelines for Materiality**

The Company shall disclose to the Stock Exchange all events/ information as specified in **Annexure A** of this policy with/without any application of the guidelines for materiality.

### **Authorized Persons for Disclosure**

Any event or information, including the information specified in Para A and Para B of Part A of Schedule III of the Listing Regulations shall be forthwith informed to the KMP(s), upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchanges. The KMP(s) will then ascertain the materiality of such event(s) or information based on the above guidelines. On completion of the assessment, the KMP(s) shall, if required, make appropriate disclosure(s) to the stock exchanges.

The Board of Directors of the Company have authorised one or more KMP(s) as defined under the Companies Act, 2013 to determine the materiality of an event or information and to make appropriate disclosure on a timely basis. The KMPs are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

#### Contact details

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### **Rumour Verification**

The Company shall confirm, deny or clarify any reported event or information in the mainstream media, which is not general in nature and indicates that rumours of an impending specific material event or information that are circulating amongst the investing public and also provide the current stage of such event or information. Such disclosure will be as per the timelines prescribed under Listing Regulations from the date of this provision made applicable to the Company.

### **Amendment**

The Board reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. In case of any amendments(s), clarification(s), circulars(s) etc, issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circulars(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarifications(s), circular(s) etc.

## **Annexure - A**

The following shall be events/information, upon occurrence of which the Company shall make disclosure to the 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 or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.

*Explanation.1-* 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 percent 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 sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
  - (c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

*Explanation.2-* For the purpose of this sub-paragraph, "sale or disposal of subsidiary" and "sale of stake in associate company" shall include-

- I. an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary, or an associate company of the Company; or
- II. an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in subclause (c) of clause (i) of sub-regulation (4) of regulation 30.

*Explanation 3-* For the purpose of this sub-paragraph, "undertaking" and "substantially the whole of the undertaking" shall have the same meaning as given under section 180 of the Companies Act, 2013.

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. New Ratings or Revision in Rating(s).

4. Outcome of Meetings of the board of directors: The Company shall disclose to the Stock Exchange(s), within 30 minutes of closure of Board 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).

Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.

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 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.

5A. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements:

However, if such agreements entered into by the Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of these regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that the Company shall or shall not act in a particular manner.

6. Fraud or defaults by the Company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the Company, whether occurred within India or abroad:

For this purpose:

- I. Fraud’ shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- II. ‘Default’ shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

*Explanation 1-* In case of revolving facilities like cash credit, an entity would be considered to be in ‘default’ if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

*Explanation 2-* Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the Company.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Senior Management , Auditor and Compliance Officer.

7A. In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

7B. Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of

resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

- a. Letter of resignation along with detailed reasons for the resignation of as given by the said director,
- b. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
- c. Confirmation that there is no material reason other than the reason provided by the independent director

7C. In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.

7D. In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).

8. Appointment or discontinuation of share transfer agent.
9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
  - (i) Decision to initiate resolution of loans/borrowings;
  - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
  - (iii) Finalization of Resolution Plan;
  - (iv) Implementation of Resolution Plan;
  - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
10. One time settlement with a bank.
11. 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 Investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and



presentations made by the listed entity to analysts or institutional investors.

*Explanation:* For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

- I. The presentation and the audio/video recordings shall be promptly made available on the website before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
  - II. The transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.
16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
- I. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
  - II. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
  - III. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable
  - IV. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
  - V. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016
  - VI. Appointment/ Replacement of the Resolution Professional
  - VII. Prior or post-facto intimation of the meetings of Committee of Creditors
  - VIII. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
  - IX. Number of resolution plans received by Resolution Professional
  - X. Filing of resolution plan with the Tribunal
  - XI. Approval of resolution plan by the Tribunal or rejection, if applicable
  - XII. Specific features and details of the resolution plan as approved by the

Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:

- a. Pre and Post net-worth of the company
- b. Details of assets of the company post CIRP
- c. Details of securities continuing to be imposed on the companies' assets
- d. Other material liabilities imposed on the company
- e. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities
- f. Details of funds infused in the company, creditors paid-off
- g. Additional liability on the incoming investors due to the transaction, source of such funding etc.
- h. Impact on the investor – revised P/E, RONW ratios etc.
- i. Names of the new promoters, key managerial personnel, if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control
- j. Brief description of business strategy.

XIII. Any other material information not involving commercial secrets

XIV. Proposed steps to be taken by the incoming investor/acquirer for achieving the minimum public shareholding

XV. Quarterly disclosure of the status of achieving the minimum public shareholding

XVI. The details as to the delisting plans, if any approved in the resolution plan.

17. In case of initiation of forensic audit, (by whatever name called), the Company shall make the following disclosures to the stock exchanges :

a) Fact of initiation of forensic audit alongwith name of the .entity initiating the audit and reasons for the same, if available;

b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) along with comments of the management, if any.

Forensic Audit refers to audits that are initiated with the objective of detecting any misstatement in financials, mis-appropriation/siphoning or diversion of funds.

18. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.

*Explanation* – “social media intermediaries” shall have the same meaning as defined under

the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

19. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

a) search or seizure; or

b) re-opening of accounts under section 130 of the Companies Act, 2013; or

c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:

i. name of the authority;

ii. nature and details of the action(s) taken, initiated or order(s) passed;

iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;

iv. details of the violation(s)/contravention(s) committed or alleged to be committed;

v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:

a) suspension;

b) imposition of fine or penalty;

c) settlement of proceedings;

d) debarment;

e) disqualification;

f) closure of operations;

g) sanctions imposed;

h) warning or caution; or

i) any other similar action(s) by whatever name called; along with the following details

pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;
  - ii. nature and details of the action(s) taken, initiated or order(s) passed;
  - iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
  - iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
  - v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.
21. Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.
- 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. Any of the following events about the listed entity:
    - a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
    - b) adoption of new line(s) of business; or
    - c) closure of operation of any unit, division, or subsidiary (in entirety or in 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 Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
  7. Effect(s) arising out of change in the regulatory framework applicable to the Company entity
  8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
  9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
  10. Options to purchase securities including any ESOP/ESPS Scheme.
  11. Giving of guarantees or indemnity or becoming a surety by whatever named called for any third party.
  12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.
- C. 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.
  - D. Without prejudice to generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.