



# **RAM RATNA WIRES LIMITED**

## **POLICY ON DETERMINATION OF MATERIALITY OF DISCLOSURES**

## **Introduction**

This Policy for Determination of Materiality of Events or Information is aimed at providing guidelines to be followed by the Company for the consistent, transparent, regular and timely public disclosure and dissemination of material events / information.

This Policy has been formulated in accordance with guidelines laid down by Securities Exchange Board of India under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to disclosure of events and information.

The Board shall review, and if found required, may amend this Policy from time to time.

## **Definitions**

“**Act**” means the Companies Act, 2013 and rules framed there under as amended from time to time.

“**Board**” means the Board of Directors of the Company;

“**Company**” means “Ram Ratna Wires Limited”

“**Listing Regulations**” means the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amendments made there under, as applicable from time to time.

“**Stock Exchange**” means a recognised stock exchange as defined under clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956;

All words and expressions used but not defined in this Policy shall derive their meaning from the Act, SEBI Act, 1992, and / or the rules and regulations or any statutory modification or re-enactment thereto, as the case may be.

## **Objective of the Policy**

The policy has been framed with the objective of providing adequate and appropriate disclosures that are consistent with the facts of the material events. The Company shall ensure timely and accurate disclosure on all material matters including the financial situation, performance, ownership, and governance of the Company to enable investors to take well informed investment decisions with regard to the securities of the Company.

## **Guidelines for determining Materiality of Events or Information**

Regulation 30 of Listing Regulations specifies that the Company shall make disclosures of any events or information which, in the opinion of the board of directors of Company, is material. Further it specifies that Events specified in Para A of Part A of Schedule III of Listing Regulations are deemed to be material events and the Company shall make disclosure of such events mandatorily. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of Listing Regulations, based on application of the guidelines for materiality.

The guidelines and criteria for determining materiality of events/information as approved by the Board of Directors are as below:

- (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) the 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; or
  - ii. Two percent of net worth, except in case of the arithmetic value of the networth is negative, as per the last audited consolidated financial statements of the Company;
  - 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

Accordingly, any transactions exceeding the lower of i, ii or iii above, with an annual impact in value, will be considered for the above purposes.

- (d) any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event / information is considered material.

As specified in Para C of Part A of Schedule III of the Listing Regulations, the Company shall promptly disclose 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 financial statements of the Company 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.

### **Disclosure of Events /Information**

- a) The following KMPs are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s) (“**Authorized Person(s)**”):
  - i) Managing Director
  - ii) Chief Financial Officer
  - iii) Company Secretary & Compliance Officer
- b) Any event required to be reported under Regulation 30 of the Regulations shall be informed to the Managing Director or Chief Financial Officer or Company Secretary of the Company on an immediate basis with adequate supporting data or information to facilitate a prompt and

appropriate disclosure. Any other event, even if not covered under the Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Chief Financial Officer or Company Secretary. Contact details of above mentioned KMP and authorized person has been displayed on the website of Company and also disclosed to Stock Exchange.

- c) The materiality of events outlined above are indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Person should exercise his/her own judgement while assessing the materiality of events associated with the Company. In case the relevant Authorized Person perceives any doubt regarding materiality he/she may consult Chairman or any other Director before disclosing the information to the Stock Exchange.

### **Timeframe for Disclosure to Stock Exchanges**

All material events or information shall be disclosed to the Stock Exchanges as soon as reasonably possible and in any case not later than the following:

- a) 30 (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) 12 (twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- c) 24 (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 Company discloses any event or information after the timelines specified under the Listing Regulations, it shall, along with such disclosure provide the explanation for the delay.

### **Disclosures on Website**

All events or information disclosed to the Stock Exchanges under Regulation 30 of the Listing Regulations shall be hosted on the website of the Company for a minimum period of 5 years and thereafter as per the archival policy of the Company.

### **Amendments**

The Board shall have power to make such alterations to this Policy as considered appropriate, subject, however, to the condition that such alterations shall be in consonance with the provisions of the Act, Regulations and other applicable laws.

### **Scope and Limitation**

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013, Regulations or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

### **Dissemination of Policy**

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company.