

CENTRUM CAPITAL LIMITED
POLICY FOR DETERMINATION OF MATERIALITY FOR DISCLOSURES

1. Background

Centrum Capital Limited (the Company) is committed to being open and transparent with all stakeholders and believes in disseminating information in a fair and timely manner. The Company's securities are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations). The Listing Regulations are effective December 1, 2015. Listing Regulations mandate listed entities to formulate a Policy for determining materiality of events or information that warrant disclosure to its stakeholders. It is in this context that the Policy for Determination of Materiality for Disclosure(s) ("Policy") is being framed and implemented.

2. Definitions

In this Policy, unless the context requires otherwise:—

- a. "Board of Directors" shall mean the Board of Directors of Centrum Capital Limited.
- b. "Chief Financial Officer" or "CFO" or "whole time finance director" or "head of finance", by whatever name called, shall mean the person heading and discharging the finance function of the Company as disclosed by it to the recognized stock exchange(s) in its filing under the Listing regulations.
- c. "Key Managerial Personnel" means key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.
- d. "Non-Convertible Debt Securities" means 'debt securities' as defined under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time.
- e. "Officer" includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act and includes Promoter of the Company.
- f. "Promoter" and "Promoter Group" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- g. "Holding" means a holding as defined under sub-section (46) 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, 2018 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

3. Objective of the Policy

The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other legislations (In India and Overseas).
- b. To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of the specific event or information.
- c. To ensure that to the best of the knowledge of the Management, the corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of Material / Price sensitive information within the context of the Company's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

4. Type of Information

The information covered by this Policy shall include "information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions" (hereinafter referred to as "Material Information") that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the Listing Regulations will be disclosed without any application of the guidelines for materiality.

Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the Listing Regulations will be disclosed based on application of materiality criteria.

Events or information specified in Part B of Schedule III of Regulation 51(2) of the Listing Regulations will be disclosed with respect to non-convertible securities of the Company.

5. Person(s) Responsible for Disclosure

The Executive Chairman and the CFO are authorized (Authorized Persons) for the purpose of determining materiality of an event or information and to make appropriate disclosure on a timely basis.

The Authorized Persons are also empowered to;

- i. Seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.
- ii. Call for information from all its internal stakeholders including from its subsidiaries.

The Executive Chairman, CFO and Company Secretary are severally authorized for making disclosures of such material event or information.

The Executive Chairman is authorized to make appropriate changes to the above policy as he may deem expedient taking into account the law for the time being in force and subject to approval of the Board. This policy is subject to review from time to time.

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

- a. To review and assess an event or information that may qualify as 'material' and may require 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 disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/ closed, with relevant explanations.
- d. To consider such other events or information that may require disclosure 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.
- e. To disclose all events or information with respect to the subsidiaries which are material for the company.

6. Guidelines for Assessing Materiality

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information.

The following criteria will be applicable for determination of materiality of event or information:–

- a) The omission of an event or information which is likely to :
 - result in a discontinuity or alteration of an event or information already available publicly; or
 - result in significant market reaction if the said omission came to light at a later date; or
 - Any event or information having a significant risk to the reputation of the Company
- b) 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 listed entity;
 - ii. two percent of net worth, as per the last audited consolidated financial statements of the listed entity, 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 listed entity;

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. Further, any changes to the Listing Regulations to the materiality thresholds mentioned above shall apply from the effective date of such amendment.

- c) In case where the criteria specified in Clauses 6(b)(i), 6(b)(ii) and 6(b)(iii) are not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.
- d) The quantitative criteria shall apply to events specified in Para B of Part A of Schedule III of the Listing Regulations only and shall be used as a yardstick or reference for determining materiality and arriving at the overall decision on the event to be reported by the Company Secretary.

7. Guidance on Timing of an Event or Information

The Company may be confronted with the question as to when an event/information can be said to have occurred.

In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc, and the answer to the above question would depend upon the timing when the Company became aware of the event/information.

In the former, the events/information (based on the facts and circumstances), can probably be said to have occurred upon receipt of approval of Board of Directors after negotiations and discussions that result in a binding contract with material impact on the Business or financial status of the Company.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

In the latter, the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Disclosure(s) as required under the Listing Regulations shall be made within timelines prescribed under the Listing Regulations from the time the event occurred or the officer(s) becomes aware of the event or information, as applicable.

The Company shall provide specific and adequate reply/explanation/clarifications to the queries, if any, raised by Stock exchange(s) with respect to any events or information pertaining to the Company. The Company may on its own initiative accept, confirm, deny or clarify with respect to any reported event of information pertaining to the Company.

8. Obligations of Internal Stakeholders and Authorized Person for Disclosure

- a. Any event or information, including the information forming part of the Part A and Part B of Schedule III of the Listing Regulations 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. Any other event, even if not covered under the SEBI Regulations but is potentially of price sensitive nature, must also be informed for further evaluation, to the Authorised Persons.
- c. The Authorized Person will then ascertain the materiality of such event(s) or information based on the above guidelines.
- d. On completion of the assessment, the Authorized Person shall, if required, make appropriate disclosure(s) to the Stock Exchanges,

9. Policy Review

Material Changes to the Policy will need the approval of the Board of Directors.

Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

Any amendments to the Listing Regulations shall *mutatis mutandis* be deemed to have been incorporated in this Policy.

10. 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 Documentation Retention and Archival Policy of the Company.

11. Contact Details

Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Chief Financial Officer, who is in charge of administering the policy.

Shailendra Apte
Chief Financial Officer (CFO)
Centrum Capital Limited Centrum House
CST Road, Vidyanagari Marg, Kalina, Santacruz (East)
Mumbai 400 098
Phone: 022 42159000
Email : s.apte@centrum.co.in

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