

# **REAL GROWTH CORPORATION LIMITED**

**POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS OR  
INFORMATION FOR DISCLOSURE TO STOCK EXCHANGES  
PURSUANT TO REGULATION 30 OF SEBI (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

## PURPOSE OF POLICY

In an endeavour to promote transparent and close communication with the shareholders, the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) requires every listed company to have a policy on determination of material events and disclosures thereof.

The Policy outlines the guidelines to be followed by the listed company for the consistent, transparent, regular and timely public disclosure and dissemination of material events/information of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 and 30A of (“Listing Regulations”). The Company is committed to factual, timely and accurate disclosure based on applicable legal and regulatory requirements.

## OBJECTIVE OF 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/information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make disclosure of events / information specified in para A and B of Part A of Schedule III of the Listing Regulations, as amended from time to time, to the Stock Exchanges. The current policy mechanisms regulate:

- the procedure determining the materiality of the events/information;
- the procedure governing the disclosure of the events that are deemed to be material;
- to decide upon the instance when the material events have occurred and the time frame within which the information is to be disclosed.

## DEFINITIONS

- i. **“Act”** shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.
- ii. **“Board”** means the board of directors of **“Real Growth Corporation Limited”**;
- iii. **“Company”** means **“Real Growth Corporation Limited”**;
- iv. **Key Managerial Personnel shall mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.**
- v. **“Listing Regulations”** means the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015);
- vi. Material Event or Material Information shall mean such event or information as may be determined in accordance with Clause IV of this Policy.
- vii. **“Policy”** means ‘Policy on Criteria for determining Materiality of Events or Information for disclosure to Stock Exchanges’ of the Company, as may be amended from time to time.;
- viii. **“Schedule”** means Schedule III of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as prescribed to it under the Companies Act, 2013, Listing Agreement, Listing Regulations framed by the Securities Exchange Board of India or any other relevant regulation/legislation applicable to the Company.

#### **GUIDELINES FOR DETERMINING MATERIALITY**

The Company shall consider the following criteria for determining the materiality of the events:

- a) The omission of an event or information which is likely to result in:
  - i. discontinuity or alteration of an event or information already available publicly; or
  - ii. significant market reaction if the said omission came to light at a later date;
- 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. 2% of turnover, as per the last audited consolidated financial statements of the Company;
  - ii. 2% 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. 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company;
- c) In case where the criteria specified in sub-clauses(a) and (b) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered as material.

#### **PERSON(S) RESPONSIBLE FOR DETERMINING MATERIALITY OF EVENT OR INFORMATION FOR MAKING DISCLOSURE**

The Board of Directors of the Company has authorized Whole Time Director, the Company Secretary and Chief Financial Officer (“Authorized Person”) in consultation with the Chairman and the Executive Director to determine the materiality of an event or information and to make appropriate disclosure on a timely basis. The Authorized Person is empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as he/she may deem fit.

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.

The Company shall make timely disclosure of events which are material in nature in terms of this Policy to the stock exchange where the shares of the Company are listed. The events covered under Part A of Schedule III shall be taken into consideration for determination of materiality. Based on the materiality, the Company shall make mandatory disclosure of the events and information specified below:

**A. The following events/information specified in para A of Part A of Schedule III shall be considered material and disclosed to the Stock Exchanges without applying any test of materiality:**

- 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-paragraph, the word 'acquisition' shall mean-

- i. acquiring control, whether directly or indirectly; or
- ii. acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, 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-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or
  - 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 listed entity; 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 Rating(s) or Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The Company 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 listed entity 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, joint venture agreement, family settlement agreement (to the extent that it impacts management and control of the listed entity), agreement treaty/contract with media companies) which are binding and not in normal course of business, revision or amendment and termination thereof.
- (5A) Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity 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 listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.

Provided that such agreements entered into by a listed entity 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 listed entity 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 listed entity shall or shall not act in a particular manner.

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

For the purpose of this sub-paragraph:

(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 listed entity.

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 listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities 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:

i) The letter of resignation along with detailed reasons for the resignation as given by the said director.

ia) Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.

(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;

(i) 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 listed entity.

13. Proceedings of Annual and extraordinary general meetings of the listed entity.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. (a) Schedule of analysts 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.

(b) 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 and in any case, 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:

- (a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- (b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- (c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
- (d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- (e) 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;
- (f) Appointment/ Replacement of the Resolution Professional;
- (g) Prior or post-facto intimation of the meeting of Committee of Creditors;
- (h) 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;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) 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:
  - i. Pre and Post net-worth of the company;
  - ii. Details of assets of the company post CIRP;
  - iii. Details of securities continuing to be imposed on the companies' assets;
  - iv. Other material liabilities imposed on the company;
  - v. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
  - vi. Details of funds infused in the company, creditors paid-off;
  - vii. Additional liability on the incoming investors due to the transaction, source of such funding etc.;
  - viii. Impact on the investor —revised P/E, RONW ratios etc.;
  - ix. Names of the new promoters, key managerial persons(s), 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;
  - x. Brief description of business strategy.

- (m) Any other material information not involving commercial secrets.
- (n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
- (o) Quarterly disclosure of the status of achieving the MPS;
- (p) The details as to the delisting plans, if any approved in the resolution plan.

17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:

- a. The fact of initiation of forensic audit along-with name of 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) on receipt by the listed entity along with comments of the management, if any.

18. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, Key Managerial Personnel or Senior Management of the Company, in relation to any event or information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company.

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 Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, 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 Company, 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 Company or its directors, Key Managerial Personnel, Senior Management, promoter or subsidiary, in relation to the Company, 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
- iv. other communication from the authority;

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. (a) Arrangements for strategic, technical, manufacturing, or marketing tie-up, or  
(b) adoption of new lines of business or  
(c) closure of operations 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 (as a borrower) or any other agreement which are binding and not in normal course of business) and revision or amendment or termination thereof.
6. 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 etc.
7. Effect arising out of change in the regulatory framework applicable to the listed entity
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company..
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of 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 the 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.

The disclosure and communication of the material events and information shall be addressed in a clear and precise manner. The Authorized Officer(s) of the Company will furnish prompt and accurate reply to the stock exchange on the queries raised by the stock exchange in relation to any events or information disclosed to it.

The access to all the disclosures made by the Company to stock exchange will also be made available on the website of the Company at [www.realgrowth.co.in](http://www.realgrowth.co.in). Any material developments in the events disclosed to the stock exchange shall also be disclosed in the requisite time frame.

#### **PROCESS OF DISCLOSURES OF MATERIAL INFORMATION**

In case any Functional Head or any other employee or person associated with Company becomes aware of some material event/information about the Company covered under Part A of Schedule III he/she shall immediately inform the Authorized Officer(s) of the Company.

The authorized officer(s) would then determine whether the event/ information, brought before him requires disclosure to the Stock Exchange or not, in accordance with this Policy read with the Listing Regulations. The authorized officer(s) will prepare the content of the disclosure and make the adequate disclosure of the said event/information to the stock exchange as per the timeframe defined in this Policy.

#### **TIMELINE FOR DISCLOSURE OF MATERIAL EVENTS:**

The Company shall first disclose the events enumerated in sub para 4, para A of Part A of Schedule 111 of the Listing Regulations, as amended from time to time, to the Stock Exchanges shall be made within 30 minutes of the conclusion of the Board Meeting at which such events were discussed along with the time of commencement and conclusion of the meeting.

The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

- i. 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;

- ii. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- iii. twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity

Provided that the disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.

The events having direct bearing or impact on the price of the securities of the Company and for which the approval of both the Board and shareholders is required, shall be disclosed within 24 hours of the conclusion of the Board meeting or event occur.

Provided that in case the disclosures are made after 24 hours of occurrence of a particular event, the Company shall along with such disclosures provide explanation for delay.

The authorized officer(s) of the Company will furnish reply to the stock exchange on the queries raised by the exchange in relation to any events or information disclosed to it within 15 working days.

#### **DELAY IN DISCLOSING MATERIAL INFORMATION**

In certain unavoidable circumstances or due to confidentiality of information for a limited period of time, the Company might delay in disclosing the material event/information to the stock exchange, in that case the disclosure regarding delay in disclosing the material event/ information along with the reasonable explanation and clarification will be disseminated to the stock exchange by the authorized officer(s) of the Company.

#### **WEBSITE:**

As per the provisions of the SEBI Listing Regulations, the Policy shall be disclosed on the website of the Company.

#### **REVIEW OF THE POLICY**

The KMP(s) may review the Policy from time to time. Material changes to the Policy will need the approval of the Board of Directors. Any subsequent amendment/ modification in the SEBI Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.