

## **Sequent Policy on Determination of Materiality for Disclosure of Events or Information**

### **Introduction:**

The Securities Exchange Board of India (SEBI), has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulation”) on September 2, 2015.

As per Regulation 30 of the Regulation, a listed entity is required to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, based on the criteria specified in Regulation 30 of the Regulation. The policy provides the framework for ascertaining the requirement of disclosure of events and defining the criteria for determining materiality of events as per the regulations.

### **Definitions:**

“Board” means the Board of Directors of the Company.

“Company” means Sequent Scientific Limited having registered office in the State of Maharashtra.

“Key Managerial Personnel” means any key managerial personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.

“Material Event or information” means an event or information as follows:

- i) Para A of Part A of Annexure III of Regulation 30 of the Regulation
- ii) Para B of Part A of Annexure III of Regulation 30 of the Regulation
- iii) Any other event or information that the authorized persons feel prudent to disclose (sub regulation 4(i)(c) of Regulation 30 of the Regulation)

“Officer” shall have the same meaning as defined under the Companies Act, 2013 and also includes promoter of the Company.

“Sequent” means Sequent Scientific Limited having registered office in the State of Maharashtra.

### **Scope of the Policy:**

This policy is applicable to all Employees of the Company.

### **Reporting of event to Stock Exchange:**

The Company shall inform to the stock exchange(s) of all events which are material and all information which are price sensitive or have bearing on performance or operation of the Company.

Company shall also make disclosure of events specified in Para B of Part A of Schedule III of the Regulation (Annexure B) after considering criteria for determining materiality of Events/ Information as prescribed below:

- a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available; 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:
  - (1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
  - (2) 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;
  - (3) 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
- d) if in the opinion of the Board of Directors of the Company event/ information is material.

The disclosures shall also include all events or information with respect to subsidiaries of the Company which are material.

The Company shall, with respect to disclosures made by the Company, make further disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

The Company may on its own initiative also, confirm or deny any reported event or information to stock exchanges.

**Authorization for determining materiality of event or information and making Disclosures to the Stock Exchanges:**

Managing Director, Joint Managing Director and Chief Financial Officer of the Company are authorized severally to determine materiality of an event or information.

Further Chief Financial Officer, Chief Risk Officer and Company Secretary of the Company are authorized severally to make disclosures to the Stock Exchanges under the Regulation.

**Timing of Disclosure:**

The Company 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

**Website:**

The Company shall disclose on its website all such events or information which has been disclosed to stock exchanges and such disclosures shall be hosted on the website of the Company for a minimum period of five years.

**Guidance on when an event/information has occurred:**

1. The events/information shall be said to have occurred upon receipt of approval of Board of Directors in certain events/ information after receipt of approval of Board of Directors.
2. In other cases, the events/information can be said to have occurred when the Company becomes aware of the events or information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

**Amendments and Updatons:**

Any change in the Policy shall be approved by the Board. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.