



SURANA TELECOM AND POWER LIMITED

(CIN- L23209TG1989PLC010336)

Regd .Off: 5th Floor, Surya Towers, S.P.Road, Secunderabad-500 003

MATERIALITY OF EVENTS POLICY

I. PREAMBLE

The Company has adopted the Materiality of Events Policy (“the Policy”) in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Regulations”), which lays down indicative events which may have ‘Material Impact’ on the performance or operations of the Company. The Policy aims for disclosure of important and material events of the Company to the Stock Exchange(s) where the Equity Shares are listed and to the stakeholders in compliance with the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy endeavors to promote transparency and to ensure that the stakeholders are informed regarding the major and material events of the Company. The Company, in addition to the disclosure of events specified under Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall also make disclosure of events or information specified under Para B of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which, in the opinion of the KMPs as authorized by the Board of Directors for the purpose of determining materiality of an event or information and to make disclosures to Stock Exchanges(s) is material in nature subject to application of guidelines for materiality.

II. OBJECTIVE OF THE POLICY

The materiality of events policy provides guidance to the Board, management and staff on the assessment of materiality of events which will have bearing on the performance / operations of the Company as well as any price sensitive information and any other Company matters that require appropriate disclosure.

III. DEFINITIONS

- “**Board**” means the Board of Directors of the Company.
- “**Company**” means “Surana Telecom and Power Limited.”
- “**Key Managerial Personnel**” in relation to a company, means—

- (i) the Chief Executive Officer or the managing director or the manager;
 - (ii) the company secretary;
 - (iii) the whole-time director;
 - (iv) the Chief Financial Officer;
 - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (vi) such other officer as may be prescribed.
- “**Policy**” means “Materiality of Events Policy”
 - “**Promoter**” according to Section 2(69) of the Companies Act, 2013, means any person:
 - (a) who has been named as such in a prospectus or is identified by the Company in the annual return referred to in Section 92; or
 - (b) who has the control over the affairs of the Company, directly or indirectly whether as a shareholder, director or otherwise; or
 - (c) in accordance with whose advice, directions or instructions the Board of Directors of the Company is accustomed to act:

Provided that nothing in sub-clause (c) shall apply to a person who is acting in a professional capacity.

IV. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

The Company shall disclose all such events specified in **Annexure 1** [Events specified in Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as may be amended from time to time] without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the Listing Regulations.

V. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

- The Company shall disclose all such material events pertaining to itself or its subsidiary(ies), specified in **Annexure 2** [Events specified in Para B of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as may be amended from time to time] subject to application of guidelines for materiality mentioned in Clause VI (Determination of Materiality) of this Policy.

→ Other events or information that may be considered material may include major development that is likely to affect business, and shall be considered material subject to the application of guidelines mentioned in Clause VI (Determination of Materiality) of this policy. These events may include but are not restricted to the following::

- (a) Emergence of new technologies
- (b) Expiry of patents
- (c) Any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof;
- (d) 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.
- (e) Market sensitive information; and
- (f) The Company shall disclose all events/information with respect to Subsidiaries which are material for the Company, if any.

VI. DETERMINATION OF MATERIALITY

Subject to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature or not, the KMPs authorized by the Board, may consider ‘**quantitative**’ or ‘**qualitative**’ criteria(s) as mentioned below.

→ **Quantitative Criteria(s):** Quantitative criteria(s) for determining materiality shall become applicable to an event / information where the value involved or the impact exceeds:

- (a) 10% of the total income; or
 - (b) 10% of the Profit before tax; or
 - (c) 10% of the net worth
- (Whichever is lower shall be taken as a trigger).

The above threshold shall be determined on the basis of audited consolidated financial statements of the previous financial year.

→ **Qualitative Criteria(s):** Qualitative criteria to determine materiality shall become applicable to an event/ information the omission of which is likely to result in –

- (a) Discontinuity of information already available publicly; or
- (b) Significant market reaction if the said omission came to light at a later date; or

- (c) 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 material.

The ‘**qualitative**’ test may always be applied to determine materiality, even in circumstances where the ‘quantitative’ tests thresholds are not met or the ‘**quantitative**’ test is otherwise not applicable. Apart from the above mentioned criteria, any other event/information which is considered as being material in the opinion of the KMPs who are authorized by the Board of Directors of the Company for the purpose of determining materiality of an event or information and to make disclosures to Stock Exchange(s) shall be promptly disclosed to the stock exchange(s).

VII. AUTHORIZED KEY MANAGERIAL PERSONNEL (KMPs) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE(S).

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)”] under Regulation 30(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sl. No.	Designation of KMP	E-MAIL ID.	Contact No.
1.	Company Secretary	cs@surana.com	040-44665757/58

VIII. AMENDMENTS AND MODIFICATIONS

This Policy is framed based on the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on September 2, 2015. In case of any subsequent amendments to the Regulations which make any of the provisions in the Policy inconsistent, the provisions of the Regulations shall prevail. The Policy may be modified so as to align the same with the amendments or to incorporate the changes as may be felt appropriate. The list of events in Annexures to this policy, as it stands today may be updated, from time to time, by authorised KMPs, to reflect any changes to the Regulations and the updated version be issued and published as necessary.

IX. DISPLAY OF THE POLICY

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

ANNEXURE 1

(Same as Para A of Part A of Schedule III)

EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the Company or any other restructuring:

(Explanation- 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 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-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.)

2. Issuance or for 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. Revision in Rating(s);

4. Outcome of Meetings of the Board of the Company held to consider the following:

4.1. Declarations of 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;

4.2. Any cancellation of dividend with reasons thereof;

4.3. The decision on buyback of securities;

4.4. The decision with respect to fund raising proposed to be undertaken

4.5. Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;

4.6. 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;

4.7. Short particulars of any other alterations of capital, including calls;

4.8. Financial results;

4.9. Decision on voluntary delisting by the Company from Stock Exchange(s).

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;

6. Fraud/defaults by promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or promoter;

7. Change in Directors, Key Managerial Personnel, 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 auditor 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. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.

ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.

iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.]

8. Appointment or discontinuation of share transfer agent;

9. Corporate debt restructuring;

10. One time settlement with a bank;

11. Reference to BIFR and 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 investor meet and presentations on financial results made by the Company to analysts or institutional investors;
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 meetings 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) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
 - m) Any other material information not involving commercial secrets.

(Same as Para B of Part A of Schedule III)

EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or 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;
8. Litigation(s) / dispute(s) / regulatory action(s) with impact;
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
10. Options to purchase securities including any ESOP/ESPS Scheme;
11. Giving of guarantees or indemnity or becoming a surety for any third party;
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
