



KIFS FINANCIAL SERVICES LIMITED

CIN: L67990GJ1995PLC025234

Registered Office: B-81, Pariseema Complex, C. G. Road, Ellisbridge, Ahmedabad – 380 006

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

I. NEED AND OBJECTIVE OF THE POLICY:

Securities and Exchange Board of India (SEBI), has on September 02, 2015, notified a comprehensive SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations], replacing the existing Listing Agreement, wherein certain policies are mandated to be framed and uploaded on website of the Company.

This policy is framed to comply with the requirement of Regulation 30(4)(ii) of SEBI (LODR) Regulation, 2015, which deals with disclosure of material events and information by the listed entities to the Stock Exchanges where the securities of the Company are listed.

II. NAME OF THE POLICY:

This Policy shall be known as “United Company of India Policy on Determination of Materiality of Events and Information.”

III. DEFINITIONS:

Board	“Board” means Board of Directors of the Company
Key Managerial Personnel	“Key Managerial Personnel” means, (i) Managing Director and Chief Executive Officer; (ii) Chief Financial Officer; (iii) Company Secretary and (iv) such other officer/s as may be prescribed.
Schedule	“Schedule” means Schedule III annexed to SEBI (LODR) Regulations, 2015.
Specified securities	Specified securities means equity shares and other securities listed on the Stock Exchanges.
Material events	Material events are those that are specified in Schedule III to SEBI (LODR) Regulations, 2015.

IV. EVENTS OR INFORMATION TO BE DISCLOSED:

The events/ information that need to be disclosed by the Company to the Stock Exchanges are broadly divided into the following four categories;

A. Events to be disclosed without application of the guidelines for determining materiality:

{Para A of Part A of Schedule III to the SEBI (LODR) Regulations}

The following shall be events / information, upon occurrence of which the Company shall make disclosure to stock exchange(s):

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.



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2. Explanation: “Acquisition” means –
 - 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 Company 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.
3. 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.
4. Revision in Rating(s).
5. Outcome of Meetings of the Board of Directors held to consider the following:
 - a) 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.
 - b) Any cancellation of dividend with reasons thereof.
 - c) The decision on buy back of securities.
 - d) The decision with respect to fund raising proposed to be undertaken.
 - e) Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited / dispatched.
 - f) 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.
 - g) Short particulars of any other alterations of capital, including calls.
 - h) Financial results.
 - i) Decision on voluntary delisting by the Company from stock exchange(s).
6. Agreements (viz. shareholder agreement(s), joint venture agreement(s), agreement(s)/ treaty(ies) / contract(s) with media companies which are binding and not in normal course of business, revision(s) or amendment(s) thereto or termination(s) thereof.
7. Fraud / defaults by Key Managerial Personnel or by the Company or arrest of Key Managerial Personnel.
8. Change in Directors, Key Managerial Personnel, Auditor and Compliance Officer.
9. Appointment or discontinuation of Share Transfer Agent.
10. 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.
11. Proceedings of Annual and Extraordinary General Meetings of the Company.
12. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.



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B. Events to be disclosed upon application of the guidelines for materiality: ***{Para B of Part A of Schedule III to the SEBI (LODR) Regulations}***

The Company shall disclose the following events/ information upon application of the guidelines/criteria as detailed herein below at **Point No. V.**

1. 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).
2. Product launch
3. Awarding, bagging / receiving, amendment or termination of awarded/ bagged orders/ contracts not in the normal course of business.
4. 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) thereto or termination(s) thereof.
5. 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.
6. Effect(s) arising out of change in the regulatory framework applicable to the Company.
7. Litigation(s) / dispute(s) / regulatory action(s) with impact.
8. Fraud / defaults etc. by Directors (other than key managerial personnel) or employees of the Company
9. Options to purchase securities including any ESOP/ESPS Scheme.
10. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

C. Any other information / event having significant impact ***{Para C of Part A of Schedule III to the SEBI (LODR) Regulations}***

The Company shall disclose:

- i. any other event / information 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
- ii. 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. Any other event/ information specified by SEBI ***{Para D of Part A of Schedule III to the SEBI (LODR) Regulations}***

Without prejudice to the generality of Clause A, B and C above, the Company shall make disclosure of event/ information as specified by SEBI from time to time.

[Note: SEBI vide circular CIR/CFD/CMD/4/2015 dated September 09, 2015, has indicated the details to be provided to the stock exchanges while disclosing the material events which shall be adhered to while making the disclosures in respect of the points mentioned in clause 4.1.]



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V. CRITERIA FOR DETERMINATION OF MATERIALITY:

The Company shall consider the following criteria while determining materiality of events/ information for disclosure:

- a) the event or information is in any manner unpublished price sensitive information;
- b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- c) 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; and
- d) any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

VI. TIMELINE FOR DISCLOSURE:

- a. Events specified in IV – A are deemed to be material events and the Company shall make disclosure of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:
 - i. inform the stock exchanges in which the securities of the Company are listed;
 - ii. upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

- b. The Company shall make disclosure of events as specified in IV – B based on application of guidelines for determining Materiality as per the Policy.
- c. The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- d. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.
- e. In case where an event occurs or information is available with the Company, which has not been indicated in **Point No. IV**, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.
- f. Any other Major development/ 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, shall be disclosed to the Stock Exchange.

VII. WEBSITE UPDATION:

The Company shall disclose on its website all such material events or information which have been disclosed to stock exchange(s) under SEBI (LODR) Regulations and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the Archival Policy of the Company/ Company.



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VIII. AUTHORITY TO KEY MANAGERIAL PERSONNEL FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION:

The Managing Director, is authorised to determine Materiality of any event or information and ensure disclosures of the same are made to stock exchange(s), subject to the provisions of this Policy. The Contact details of the KMP are as follows:

Mr. Rajesh P. Khandwala – Managing Director

KIFS Financial Services Ltd.

B-81, Pariseema Complex,

C. G. Road, Ellisbridge, Ahmedabad – 380 006

(Tel): 079-30000320/21, (Fax.): 079-26403717

E-mail: kifs.roc@gmail.com

IX. IMPLEMENTATION OF POLICY.

All the Functional Heads shall report important events, if any, which may occur in their areas of operations, to the Managing Director or any other person authorized by the Board immediately upon happening of such events for disclosure to the Stock Exchanges immediately or after ascertaining its materiality as the case may be.

X. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

XI. REVIEW OF THE POLICY

The Board of Directors of the company shall review the policy on annual basis. The authorized person shall provide regular assurance to Board of Directors on the effectiveness of the Policy.

FOR KIFS FINANCIAL SERVICES LTD.

Rajesh P. Khandwala
Managing Director