POLICY FOR DETERMINING MATERIAL INFORMATION

THE SANDESH LIMITED

(CIN: L22121GJ1943PLC000183)

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POLICY FOR DETERMINING MATERIAL INFORMATION

(As approved at the Meeting of the Board of Directors on November 06, 2015)

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) requires every listed company to disclose events / information which, in the opinion of the Board of Directors of the Company, are material. Further, the listed company shall also frame a policy for determination of materiality, based on criteria specified in the Regulations, duly approved by its Board of Directors, which shall be disclosed on its website.

The objective of this Policy is to determine the "Materiality of Information of the Company" for the purpose of disclosure to the Stock Exchanges on which the equity shares of the Company are listed and also to provide the Governance Framework on such information.

A. Effective Date of Policy: 01st December, 2015

B. Identification of "Materiality of Event or Information"

1. Events or information provided in ANNEXURE 1 hereto shall be considered to be "material events".

2. Events or information provided in ANNEXURE 2 hereto shall be considered material only after adopting the following criteria:

   a. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; 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. In case where the criteria specified in sub-clauses (a) and (b) 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 Board), the event or information is considered material.

C. Person authorised to determine "Materiality" of event or information

1. The Board appoints the Chief Financial Officer of the Company (CFO, for short) as the person authorised to determine the materiality of the event or information.

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2. CFO and the Company Secretary of the Company are authorised to disclose the material event or information to the Stock Exchanges under the Regulations.
3. In absence of CFO or the Company Secretary of the Company due to vacancy, leave or temporary inaccessibility, the powers and functions shall be undertaken by a Key Managerial Personnel authorised by the Managing Director of the Company.
4. The contact details of CFO and the Company Secretary of the Company shall be disclosed to the Stock Exchanges and as well as on the website of the Company.

D. Framework

1. The Company shall first disclose to Stock Exchanges of all events specified in ANNEXURE 1 or information, as soon as reasonably possible and not later than twenty four (24) hours from the occurrence of event or information.
2. The disclosure with respect to events specified in **Point 4** of ANNEXURE 1 shall be made within thirty (30) minutes of the conclusion of the Board Meeting.
3. The Company shall, with respect to disclosures referred to above, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
4. The Company shall disclose on its website all such events or information which has been disclosed to the Stock Exchanges under the Regulations and such disclosures shall be hosted on the website of the Company for a minimum period of five (5) years and thereafter, as per the archival policy of the Company.
5. The Company shall disclose all events or information with respect to subsidiaries which are 'material' for the Company.
6. The Company may disclose any other information or 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.
7. Without prejudice to the generality of ANNEXURE 1 and ANNEXURE 2, the Company may make disclosures of event or information as specified by SEBI from time to time.

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E. Limitation of Policy and its Review

In case of any conflict between the provisions of this Policy and the Regulations or the Companies Act, 2013 or any other statutory enactments, the provisions of such Regulations or the Companies Act, 2013 or other statutory enactments, shall prevail over this Policy.

This Policy is formulated taking in view extant provisions of the Regulations. In case of any confusion or doubt with respect to any provision of this Policy or as and when the Board deems necessary to review this Policy or its provisions, the Board will take an appropriate decision. Further, this Policy and its provisions are subject to any modification, revision, replacement, variation, deletion, addition or amendment in accordance with the regulatory amendments and guidelines as may be issued / imposed by SEBI, from time to time.

CERTIFIED TRUE COPY

FOR, THE SANDESH LTD.

DHAVAL PANDYA
COMPANY SECRETARY

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ANNEXURE 1

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 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.

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. 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:
   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 buyback 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;

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h) financial results;
i) 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 the Company or arrest of key managerial personnel or promoter.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, etc.), Auditor and Compliance Officer.

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 the 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.

ANNEXURE 2

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 the 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.

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