

PHF LEASING LIMITED

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POLICY

ON

DETERMINATION OF MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION

BACKGROUND

As per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) as briefed hereunder, 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 said Regulations and the same is also required to be disclosed on the Company's website.

Taking into account the aforesaid provisions & other applicable legal provisions, the policy on determination of materiality for disclosures to events or information is being made as under:

GUIDELINES OF MATERIALITY

As specified by Regulation 30(4)(i) of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

The Company shall consider the following criteria for the determination of materiality of event of information as provided in the Regulation 30(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- (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/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

OBJECTIVE

The objective of this Policy is to serve as a guiding charter to the management to ensure that timely and adequate disclosure of events or information are made to the investor community by the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to enable them to take well informed investment decisions with regard to the securities of the Company.

INTRODUCTION

- (a) “Act” means the Companies Act, 2013 (and the Rules)
- (b) “Board of Directors” means the Board of Directors of the Company.
- (c) “Company” means PHF LEASING LIMITED.
- (d) “Key Managerial Personnel” means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- (e) “Listing Regulations” means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (f) “Policy” means this policy, as amended from time to time.
- (g) “SEBI” means the Securities and Exchange Board of India.
- (h) “Rules” means the rules made under the Companies Act, 2013.
- (i) “Stock Exchange(s)” means MSEI (Metropolitan Stock Exchange of India Limited) where the equity shares of the Company are listed.

EVENTS WHICH DON'T REQUIRE THE GUIDELINES OF MATERIALITY (As Specified above)

The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the Listing Regulations (as applicable 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.

EVENTS WHICH REQUIRE THE GUIDELINES OF MATERIALITY

The Company shall disclose all such material events pertaining to itself or its subsidiary(ies), specified in Para B of Part A of Schedule III of the Listing Regulations subject to 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 listed entity 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 listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
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 for any third party.
12. Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals.

CRITERIA & LIMITS

Quantitative criteria

Quantitative Criteria would be calculated based on audited financial statements of the last audited financial year, and would mean event/ information where the value involved or the impact:

- (a) exceeds ten per cent of the consolidated gross turnover, or
- (b) exceeds ten per cent of the consolidated net worth;

Whichever is lower

Qualitative criteria - would mean an event/ information:As per the guidelines above mentioned

ANY OTHER INFORMATION / EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY

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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

AUTHORIZE KEY MANAGERIAL PERSONNEL (KMPs)

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 (“Authorized Person(s)”):

a. Managing Director

b. Company Secretary

Details of above KMPs shall be also disclosed to the Stock Exchange(s) and as well as on Company’s website.

DISCLOSURE PROCESS

1. Any event purported to be reportable under Regulation 30 of the Regulations shall be informed to the Chairman/Managing Director & Company Secretary of the Company on an immediate basis with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Company Secretary.
2. The Chairman, the Managing Director & Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this policy.
3. After evaluation, any one of the above mentioned persons shall make disclosure to the Stock Exchange.
4. The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.
5. Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure.
6. Regular updates, where relevant, shall be made with relevant explanations.
7. All disclosures shall be available on the website of the Company for a period of 5 years.

RELEVANT AUTHORIZED PERSON

The materiality of events outlined above are indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Person should exercise his/her own judgement while assessing the materiality of events associated with the Company. In case the relevant Authorized Person perceives any doubt regarding materiality he/she may consult Chairman or any other Director before disclosing the information to the Stock Exchange.

MODIFICATION/REVIEW OF THE POLICY

This Policy is framed based on the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any subsequent amendments to the Regulations which makes any of the provisions in the Policy inconsistent, the provisions of the Regulations shall prevail. The Policy shall be reviewed by the Board of Directors and on recommendations of Audit Committee and KMPs shall be modified by the Board so as to align the same with the amendments or to incorporate the changes as may be felt appropriate by the BOD.
