



CORAL LABORATORIES LTD

Policy for Determination of Materiality

*[Pursuant to Regulation 30(4) (ii) of the SEBI (Listing Obligations
and Disclosure Requirements) Regulations, 2015]*

*1st Revision- 05th February, 2019



POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. BACKGROUND

Coral Laboratories Limited (“**CLL**”) is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company’s securities are listed on BSE Limited (“**BSE**”). This Policy for Determination of Materiality of Events or Information is aimed at providing guidelines to the management of **CLL**, to determine the materiality of events or information, which could affect investment decisions and ensure timely and adequate dissemination of information to the Stock Exchange(s) as hereinafter defined).

This Policy has been formulated in accordance with the guidelines laid down by Securities Exchange Board of India under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to disclosure of events and information.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board of Directors at the Board Meeting held on February, 05th 2019 approved the revised “Policy for Determination of Materiality of Events or Information”.

The Board shall review, and if found required, may amend this Policy from time to time.

2. OBJECTIVE

The objectives of this Policy are as follows:

- a. 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.
- b. To ensure that the information disclosed by the Company is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of material / price sensitive information within the context of the Company’s disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.



g. To enable investors to take well informed investment decisions with regard to the securities of the Company.

3. DEFINITION

“Act” shall mean the Companies Act, 2013 and the rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“Board of Directors” or **“Board”** means the Board of Directors of Coral Laboratories Limited (**“CLL”**), as constituted from time to time.

“Company” means Coral Laboratories Limited (**“CLL”**)

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

“Material Event” or **“Material Information”** shall mean such event or information as set out in the annexures to this policy or Schedule or as may be determined in terms of Clause 3 of this Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly;

“Policy” means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time;

“Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued thereunder, including any modifications, clarifications, circulars or re-enactment thereof;

“Schedule” means Schedule III of the Listing Regulations;

“Stock Exchange(s)” means BSE Limited, where the equity shares of the Company are listed.

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Regulations, or any other applicable law or regulation to the extent applicable to the Company.

4. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

Regulation 30 of the Listing Regulations mandates disclosure of all **deemed material** events to the stock exchanges. These events have been specified in Para A of Part A of Schedule III of the Listing Regulations and shall be disclosed as applicable from time-to-time. These events will be disclosed as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or



information except for events stated in sub-para 4 of Para A of Part A of Schedule III which shall be disclosed within thirty minutes of the conclusion of the Board Meeting. In case the disclosure is made after twenty-four hours of occurrence of the event or information, the explanation for the delay will be provided along with such disclosures.

5. 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 Para B of Part A of Schedule III of the Listing Regulations subject to application of guidelines for materiality.

6. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Criteria for determination of materiality of events/ information would mean an event/ information:

- (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; or
- (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.

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

The Company shall disclose major developments that are 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.

8. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION

The occurrence of material event/information would be either by the Company's own accord or not in the hands of the Company.



It can be categorized as under:

- (a) depends upon the stage of discussion, negotiation or approval; and
- (b) in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under (a), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder's approval.

In respect of the events under (b), the events/information can be said to have occurred when the Company becomes aware of the events/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. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

9. AUTHORIZE KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE

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)"):

- a. Managing Director/Whole-Time Director
- b. Chief Financial Officer
- c. Company Secretary

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(s).

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



10. DISCLOSURE PROCESS

1. Any event purported to be reportable under Regulation 30 of the Listing Regulations shall be informed to the Managing Director / Chief Financial Officer / 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 Listing Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Managing Director / Chief Financial Officer / Company Secretary.
2. The Chief Financial Officer / 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 Listing Regulations and this Policy.
3. After evaluation, any one of the above mentioned persons shall submit disclosure to the stock exchange.
4. The Company shall use the electronic facilities provided by the Stock Exchange 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.

11. 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. **Any subsequent amendment/modification in the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.**

12. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Regulations; or any other statutory enactments, rules, the provisions of such Listing Regulations / Act, or statutory enactments, rules shall prevail over this Policy and



the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

13. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company www.kothariworld.com. Further, the Company shall disclose on its website all such events or information which has been disclosed to the stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the archival policy of the Company.