



The Waterbase Limited - Policy for Determination of Materiality of Events/Information

1) BACKGROUND:

This Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Waterbase Limited is committed to being open and transparent with all stakeholders and believes in disseminating information in a fair and timely manner. The Listing Regulations mandate listed entities to formulate a Policy for determining materiality of events or information that warrant disclosure to its stakeholders. It is in this context that the Policy on Determination of Materiality for Disclosure(s) ("Policy") is being framed and implemented.

2) EFFECTIVE DATE:

This Policy is effective from 1st December, 2015.

3) DEFINITIONS:

- "Board of Directors" or "Board" means the Board of Directors of The Waterbase Limited, as constituted from time to time.
- "Company" means The Waterbase Limited.
- "Key Managerial Personnel" mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.
- "Listing Regulations" shall mean the Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015.
- "Material Event" or "Material Information" shall mean such event or information as set out in the Annexure or as may be determined in terms of the guidelines specified in the 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.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made there under shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.



4) TYPE OF INFORMATION COVERED BY THE POLICY:

The information covered by this Policy shall include “information related to the Company's business, operations or performance which has a significant effect on securities investment decisions” that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality. Events or information that is to be disclosed without any application of the guidelines for materiality are specified in Annexure 1 to this Policy. Events or information that is to be disclosed after applying the guidelines for materiality are specified in Annexure 2 to this Policy.

5) PERSONS RESPONSIBLE FOR DISCLOSURE:

The Board of Directors of the Company has authorised the Company Secretary (Authorized Person) in consultation with other Key Managerial Personnel / KMP shall determine the materiality of an event or information and to make appropriate disclosure on a timely basis. The Authorized Person is empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as he/she may deem fit.

The Authorized Person shall have the following powers and responsibilities for determining the material events or information:

- a) To review and assess an event or information that may qualify as ‘material’ and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b) To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c) To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/ closed, with relevant explanations.
- d) To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- e) To disclose all events or information with respect to the subsidiaries which are material for the Company.

6) CRITERIA FOR MATERIALITY:

Events / information shall be considered as Material if it meets any of the following criteria:

- 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.

Based on the Criteria above, the Authorized Person, in line with the guideline laid down under 'Persons responsible for disclosure', shall determine the Materiality of the event/information and shall disclose accordingly. Without prejudice to the discretion granted to the Authorized person, any event the impact of which exceeds or is expected to exceed 10% of the gross turnover or 10% of the net worth of the Company based on the latest audited annual financial statements of the Company, whichever is higher shall be considered as Material.

7) DISCLOSURES OF EVENTS OR INFORMATION:

- a) Disclosure(s) as required under the Listing Regulations will be made within 30 minutes of the conclusion of the Board Meeting or within 24 hours from the time the event occurred or the officer(s) becomes aware of the event or information, as applicable.
- b) 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.
- c) All Disclosures shall be made in the following manner:
 - 1. Inform the stock exchanges in which the securities of the Company are listed;
 - 2. Upload on the corporate website of the Company.
- d) The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- e) 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.
- f) In case where an event occurs or information is available with the Company, which has not been indicated in Annexure 1 or Annexure 2, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.
- g) All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents

8) OBLIGATIONS OF INTERNAL STAKEHOLDERS AND AUTHORIZED PERSON FOR DISCLOSURE:

- a) Any event or information, including the information forming part of Annexure 1 and Annexure 2 to the Policy shall be forthwith informed to the Authorized Person upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the stock exchange.
- b) The Authorized Person will then ascertain the materiality of such event(s) or information based on the above guidelines.



- c) On completion of the assessment, the Authorized Person shall, if required, make appropriate disclosure(s) to the Stock Exchange.

9) POLICY REVIEW:

The Authorized Person may review the Policy from time to time. Material Changes to the Policy will need the approval of the Board of Directors. Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail. Any amendments to the Listing Regulations shall mutatis mutandis be deemed to have been incorporated in this Policy.

10) CONTACT DETAILS:

Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Company Secretary, who is in charge of administering, enforcing and updating this policy:

G Venkatram
Company Secretary & Compliance Officer
The Waterbase Limited
Thapar House, 37, Montieth Road
Egmore
Chennai – 600 008
Phone: 044 3012 7000
Email: investor@waterbaseindia.com



ANNEXURE 1

DISCLOSURE TO STOCK EXCHANGE OF EVENTS OR INFORMATION THAT ARE DEEMED TO BE MATERIAL:

- a) 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. The word 'acquisition' shall mean:-
- i. acquiring control, whether directly or indirectly; or,
 - ii. acquiring or agreeing to acquire shares or voting rights in, the company, whether directly or indirectly, such that:-
 - 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;
 - There has been a change in holding from the last disclosure and such change exceeds two per cent of the total shareholding or voting rights in the said company.
- b) 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.
- c) Revision in Rating(s).
- d) 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:
- i. 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;
 - ii. Any cancellation of dividend with reasons thereof;
 - iii. The decision on buyback of securities;
 - iv. The decision with respect to fund raising proposed to be undertaken
 - v. Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - vi. 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;
 - vii. Short particulars of any other alterations of capital, including calls;
 - viii. Financial results;
 - ix. Decision on voluntary delisting by the listed entity from stock exchange(s).
- e) Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), 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.



- f) Fraud/defaults by promoter or key managerial personnel or by the company or arrest of key managerial personnel or promoter.
- g) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- h) Appointment or discontinuation of share transfer agent
- i) Corporate debt restructuring.
- j) One time settlement with a bank.
- k) Reference to BIFR and winding-up petition filed by any party /creditors.
- l) 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.
- m) Proceedings of Annual and extraordinary general meetings of the company.
- n) Amendments to memorandum and articles of Association of the Company, in brief.
- o) Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;



ANNEXURE 2

DISCLOSURE TO STOCK EXCHANGES OF FOLLOWING EVENTS OR INFORMATION AFTER APPLYING THE MATERIALITY PRINCIPLE:

- a) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- b) 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).
- c) Capacity addition or product launch.
- d) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- e) 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.
- f) 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.
- g) Effect(s) arising out of change in the regulatory framework applicable to the listed entity
- h) Litigation(s) / dispute(s) / regulatory action(s) with impact.
- i) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- j) Options to purchase securities including any ESOP/ESPS Scheme.
- k) Giving of guarantees or indemnity or becoming a surety for any third party.
- l) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- m) Emergence of new technologies.
- n) Expiry of patents.
- o) Any change of accounting policy that may have a significant impact on the accounts, etc. with brief details thereof, and
- p) Any other information which is exclusively known to the Company which may be necessary to enable the holders of securities to appraise its position and to avoid the establishment of a false market in such securities.