

SUNGOLD MEDIA AND ENTERTAINMENT LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF
EVENTS AND INFORMATION

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1. PREFACE

As per Regulation 30 of the SEBI (LODR) Regulations, 2015, the Company is required to frame and adopt a policy to determine the material events by testing the materiality for the purpose of proper, sufficient and timely disclosure of the same to the stock exchanges. Accordingly, this Policy on Determination of Materiality has been approved and adopted by the board of Directors of the Company.

2. DEFINITIONS

- 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 Sungold Media And Entertainment Limited.
- d) "Key Managerial Personnel" "KMP(s)" means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- e) "SEBI Regulations" means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f) "Policy" means policy for the determination of materiality of events and information, 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 BSE Limited, where the equity shares of the Company are listed.

3. OBJECTIVE

Objective of this Policy is (i) to determine materiality of events and/or information relating to the Company; (ii) to ensure that such information and/or event is adequately and timely disseminated, in pursuance of the Regulations, to the Stock Exchanges; and (iii) to provide an overall governance framework for such determination of materiality.

The Policy shall be read together with the Code of Internal Procedures and Conduct for Prevention of Insider Trading in the Securities of the Company and the Policy for Fair Disclosure of Unpublished Price Sensitive Information (UPSI).

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4. AUTHORISE 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):

- a. Managing Director
- b. Chief Financial Officer
- c. Company Secretary and Compliance officer

The materiality of events outlined below is 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 concerned KMP should exercise his own judgment while assessing the materiality of events associated with the Company. In case the concerned KMP perceives any doubt regarding materiality he/she may consult Chairman 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 hosted on Company's website.

5. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

As specified in sub-regulation (2) of Regulation 30 of the SEBI Regulations, the Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the SEBI Regulations (as applicable from time to time) without any application of the guidelines for determination of materiality.

6. 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 SEBI Regulations subject to application of guidelines for determination of materiality.

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GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

The Company shall consider the following criteria for determination of materiality of events/ information:

- a) Omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- b) 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) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity; and
- d) In a case where the criteria specified in sub-clauses (a) (b) and (c) above are not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors, and/or Key Managerial Personnel of the Company who are authorised as above for this purpose, such an event / information is considered material.

If the key managerial personnel are not certain about deciding on the materiality of any event / information, they may refer matter for external legal advice for appropriate guidance thereafter.

7. FLOW OF INFORMATION AND DISCLOSURE

Where the Key Managerial Personnel becomes aware of any information as specified in Para A of Part A of Schedule III of the SEBI Regulations, including those which can be regarded 'Deemed Material', the same shall be promptly informed to the Company Secretary.

The Company Secretary shall ensure that relevant information in connection with all material events (including Deemed Material Events) and the information which is price sensitive is disseminated to the Stock Exchanges as mandated, or as promptly as practicable, as per the provisions of Regulation 30 of the SEBI Regulations.

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- The Company Secretary and the Chief Investor Relations Officer will decide on the content of the disclosure and the timing of disclosure.
- The Company Secretary and the Chief Investor Relations Officer shall be responsible for providing specific and adequate reply to all queries raised by stock exchange (s). The Company Secretary and the Chief Investor Relations Officer shall ensure updating of material developments in relation to the Events/ Information disclosed to the stock exchanges on a regular basis, till such time the Event/ Information is resolved/closed, with relevant explanations.

8. DISCLOSURE ON WEBSITE

Every dissemination made under this Policy shall also be made available simultaneously on the website of the Company. In case of any subsequent changes in the provisions of the Regulations or any other regulations which makes any of the Clauses/provisions in the Policy inconsistent with the Regulations, the provisions of the Regulations would prevail over the Policy and the Clauses/provisions in the Policy would be deemed to be modified accordingly. The Board also, at its discretion, has the power to review and revise the Policy.
