



SOBO FILMS HOLDING LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

[Pursuant to the provisions of Clause (ii) of sub-regulation (4) of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations")]



1) INTRODUCTION:

With a view to enable investors to make well informed decisions, Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") requires every listed entity to make timely, adequate and accurate disclosure of any event or information which, in the opinion of its Board of Directors ("Board") is material. Further, the sub-regulation 4 of listing regulation also provides for framing a policy for Determination of Materiality of events or information, based on the criteria specified therein.

Hence in view of the above, this Policy for Determination of Materiality of events or information ("Policy") has been framed to provide necessary guidelines to the Board for determination of the materiality of events and information and to make timely, adequate and accurate disclosures of information or events which could affect the investment decisions of the investors

This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

2) PURPOSE:

The purpose of this Policy is to determine materiality of events and information and to ensure that the Listed entity shall make disclosure of events / transaction/ information specified in para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

3) DEFINITIONS:

- "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 Sobo Films Holding Limited, as constituted from time to time.
- "Company" means SOBO Films Holding Limited.
- "Key Managerial Personnel" mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013.
- "Listing agreement" shall mean an agreement that is to be entered into between a recognised stock exchange and the Company pursuant to 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 Schedule or as may be determined in terms of Clause 3 of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.
- **“Material Subsidiary”** shall mean any subsidiary company of the Company which is or has been determined as a material subsidiary as per the provisions of the Regulations.
- **“Policy”** means this Policy for Determination and Disclosure of Materiality of Events and Information of Sobo Films Holding Limited and as may be amended from time to time.
- **“Regulations”** mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.
- **“Schedule”** means Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Regulations or any other applicable law or regulation to the extent applicable to the Company.

4) MATERIAL DISCLOSURES:

The Company shall within the prescribed time disclose all such material events to the Stock Exchanges where the Securities of the Company are listed as:

- a) Specified in Para A of Part A of Schedule III of the Listing Regulations without any application of guidelines for materiality as specified in sub regulation (4) of Regulation 30 of Listing Regulations;
- b) Specified in Para B of Part A of Schedule III of the Listing Regulations subject to application of guidelines for materiality as specified in sub regulation (4) of Regulation 30 of Listing Regulations;
- c) any other events/ information viz. any 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 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; and
- d) any other information as may be determined by the Board from time to time.



5) GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

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;
- d) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following :-
 - i. 2% of turnover, as per the last audited consolidated financial statements of the listed entity;
 - ii. 2% 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;
 - iii. 5% 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;
- e) any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

6) REDRESSAL DISCLOSURES OF EVENTS OR INFORMATION:

- a) Events specified in Para A of Part A of Schedule III, are deemed to be material events and the Company shall make disclosure of such events or information as soon as reasonably possible and not later than the following:

- 1. within 30 Minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;

Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day



on which it has been considered.

2. within 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
3. within 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity

Provided that if all the relevant information, in respect of claims which are made against the listed entity under any litigation or dispute, other than tax litigation or dispute in terms of sub-paragraph 8 of paragraph B of Part A of Schedule III, is maintained in the structured digital database of the listed entity in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity.

Disclosure of such event or information shall be made in the following manner:

- inform the stock exchanges in which the securities of the Company are listed;
- upload on the website of the Company.

Provided that in case the disclosure is made after the timelines specified above, the Company shall, along with such disclosure(s) provide an explanation for delay.

- b) The Company shall make disclosure of events as specified in Para B of Part A of Schedule III, based on application of guidelines for determining Materiality as per clause 3 of the Policy.
- c) The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- d) The Company shall disclose all events or information with respect to its Material Subsidiaries.
- 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 Para A of Part A of Schedule III or Para B of Part A of Schedule III, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

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.

7) AUTHORITY TO KEY MANAGERIAL PERSONNEL:

Any transaction, event or information relating to the Company and/or its Subsidiaries that might be material is required to be reported immediately by the employees of the Company and/or its Subsidiaries to Key Managerial Personnel (MD / CEO / WTD / CFO / CS) of the Company. The Key Managerial Personnel will ensure that adequate disclosures with respect to such material events/information are made to the stock exchanges within the timeline prescribed under the Listing Regulations.

8) 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.

9) SCOPE AND LIMITATION:

In the event of any conflict between the provisions of this Policy and the Listing Agreement or Companies Act, 2013 or Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

10) DISSEMINATION OF POLICY:

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company. This Policy shall also be hosted on Company's intranet, if any.
