

POLICY FOR DETERMINATION OF MATERIALITY

1. INTRODUCTION

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR Regulations 2015”) were notified on September 2, 2015. These regulations shall come into force on the ninetieth day from their publication in the Official Gazette.

In pursuance of the aforementioned SEBI LODR Regulations 2015, the Board of Directors (the “Board”) of **Oriental Aromatics Limited (the “Company” or “OAL”)**, has adopted a policy on determination of materiality of any event and/or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (The Policy).

2. EFFECTIVE DATE

This Policy is effective December 1, 2015.

3. POLICY OBJECTIVE

The objective of the policy is to ensure timely and adequate disclosure of material events and information as per Regulation 30 of the Listing Agreement.

4. 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- (a) the event or information is in any manner Unpublished Price Sensitive Information;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; and
- (d) any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

5. SCOPE AND PURPOSE

With a view to enable investors of the Company make well-informed investment decisions, timeliness, accuracy and adequacy of information on a continuous basis is essential. Any information or the happening of any event that can materially influence

the decisions of investors needs to be disseminated to the wider audience. Further, there is a need of uniformity in disclosures to ensure compliance with the letter and spirit of applicable regulations.

The purpose of the following policy is to institutionalise the process of identification and dissemination of any material information and/or event under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations to enable investors to carry out their decision making by considering all important parameters.

6. DISCLOSURES OF EVENTS OR INFORMATION

- a. Events specified in **Annexure A** are deemed to be material events and the Company shall make disclosure to of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:
 - i. inform the Stock Exchange in which the securities of the Company is listed;
 - ii. upload the same on the Website of the Company.

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.

- b. The Company shall make disclosure of events as specified in **Annexure B** based on application of guidelines for determining Materiality as per Clause 4 of this Policy.
- c. The Company shall make necessary disclosure(s) updating Material developments on a regular basis, till such time the event is resolved/closed with relevant explanations.
- d. 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.
- e. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure A or Annexure B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

7. AUTHORITY TO KEY MANAGERIAL PERSONNEL

Mr. Dharmil A. Bodani, Managing Director and Mr. Shyamal A. Bodani, Executive Director of the Company will severally have the authority to determine the Materiality of an event or information and to making disclosures to Stock Exchange subject to the provisions of this Policy.

Contact Details

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Mr. Shyamal A. Bodani
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6. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) of the Policy.

7. SCOPE AND LIMITATION

In the of any conflict between the provisions of this Policy with that of the Listing Agreement, Companies Act, 2013 or any other statutory enactment(s) as the case may be, then in such a situation, the provisions of the Listing Agreement, Companies Act, 2013 or any other statutory enactment(s) shall prevail over the Policy.

8. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.

ANNEXURE `A`

EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF THE GUIDELINES FOR MATERIALITY

1. 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:
Explanation. - 'Acquisition' shall mean, -
 - (i) acquiring control, whether directly or indirectly; or,
 - (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - (a) 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;
 - (b) 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.
2. 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.;
3. Revision in Rating(s);
4. Outcome of Meetings of the Board of Directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - a. 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;
 - b. any cancellation of dividend with reasons thereof;
 - c. the decision on buyback of securities;
 - d. the decision with respect to fund raising proposed to be undertaken
 - e. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - f. 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;
 - g. short particulars of any other alterations of capital, including calls;
 - h. financial results;
 - i. decision on voluntary delisting by the Company from stock exchange(s).
5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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;

6. Fraud/defaults by promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or promoter;
7. Change in Directors, Key Managerial Personnel, auditor and Compliance Officer;
8. Appointment or discontinuation of share transfer agent;
9. Corporate debt restructuring;
10. One time settlement with a bank;
11. Reference to BIFR and winding - up petition filed by any party / creditors;
12. 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;
13. Proceedings of Annual and Extraordinary General Meetings of the Company;
14. Amendments to memorandum and articles of association of Company, in brief;
15. Schedule of analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors

ANNEXURE 'B'

EVENTS WHICH SHALL BE DISCLOSED UPON 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 Company 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 Company;
8. Litigation(s) / dispute(s) / regulatory action(s) with impact;
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
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
13. 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 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.