

**POLICY FOR DETERMINATION OF MATERIALITY OF  
EVENTS/ INFORMATION AND DISCLOSURE THEREOF  
TO THE STOCK EXCHANGES**

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**SBI CARDS AND PAYMENT SERVICES LTD**

**POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS/  
INFORMATION AND DISCLOSURE THEREOF  
TO THE STOCK EXCHANGES**

**[Pursuant to Regulation 30 of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

## 1. BACKGROUND

SBI Cards and Payment Services Limited is required to frame a policy for determination of materiality of events/information for disclosure requirements pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, this policy for determination of materiality of events/information and disclosure thereof to the stock exchanges ("**Policy**") has been formulated by the board of directors of SBI Cards and Payment Services Limited.

## 2. SCOPE

This Policy outlines the basis for determining 'Materiality of an Event and/or Information', for making disclosures to the stock exchanges under Regulation 30 of the Listing Regulations.

## 3. DEFINITION

**"Company"** means SBI Cards and Payment Services Limited.

**"Key Managerial Personnel"** for the purpose of Listing Regulations means the managing Director & CEO, Chief Financial Officer and Company Secretary of the Company.

**"Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including subsequent modifications issued to the same from time to time.

**"Stock Exchange"** means the Bombay Stock exchange and National Stock exchange or any other recognized stock exchanges where the securities of the Company are listed.

**"Senior Management"** shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer and functional heads.)

Further, the terms and expression used but not defined herein shall have the same meaning as assigned to those terms under the Listing Regulations, the Companies Act, 2013 or any other applicable laws or regulations, as the case may be.



#### 4. DETERMINATION OF MATERIALITY OF EVENT AND/OR INFORMATION

- 4.1. In terms of Regulation 30 of Listing Regulations, the events specified in Paragraph 6 (A) of this Policy, are deemed to be material events and the Company is mandatorily required to disclose such events without application of any materiality threshold limits.
- 4.2. The events specified under Paragraph 6 (B) of this Policy, shall be disclosed based on application of the guidelines for materiality as detailed below:
  - (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) if 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 the Company such event/information is considered material (collectively, the "**Guidelines for Materiality**")
- 4.3. Further, in case where an event occurs or an information is available with the Company, which has not been indicated in either Paragraph 6(A) or Paragraph 6(B) of this Policy, but which may have a material effect on the Company, the Company is required to make adequate disclosures in regard thereof.
- 4.4. The Company shall, with respect to disclosures referred to in Regulation 30 of the Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

#### 5. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENT AND/OR INFORMATION

The Chief Financial Officer or failing him any Key Managerial Personnel (KMP) authorised by the Managing Director & CEO (hereinafter referred to as "**Authorised KMP**") will be authorised to determine the materiality of an event or information and for the purpose of advising on the disclosure to the stock exchanges.

The contact details of the Authorised KMP shall be disclosed to the Stock Exchange(s) and displayed on the website of the Company.



## 6. DISCLOSURES TO STOCK EXCHANGES

The following shall be events/ information, upon occurrence of which the Company shall make disclosure to stock exchanges:

**A. The following shall be events/information, upon occurrence of which the Company shall make disclosure to stock exchange(s) without any application of the Guidelines for Materiality:**

- i. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any division(s) or subsidiary of the Company or any other restructuring. Acquisition would mean, a) where the Company acquires control, whether directly or indirectly; or b) where the Company acquires or agrees to acquire five percent or more of the shares/voting rights of any company; or c) where the Company holds five percent or more of the shares/ voting rights of any company, any further change in such shareholding or voting rights from the last disclosure made under sub-clause (b) above which exceeds two percent of the total shareholding or voting rights in such company.
- ii. 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.
- iii. Revision in Rating(s).
- iv. Outcome of meetings of the board of directors: The Company shall intimate to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider or decide 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 would 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)

The intimation of outcome of meeting of the board of directors will contain the time of commencement and conclusion of the meeting.



- v. Agreements (viz. shareholder agreement(s), joint venture 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.
- vi. Fraud/ Defaults by promoter or key managerial personnel of the Company or arrest of key managerial personnel or promoter.
- vii. Change in directors, key managerial personnel, Auditor and Compliance Officer.
- vii(a). In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- vii(b). In case of resignation of an independent director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:
  - i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges.
  - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
  - iii. The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
- viii. Appointment or discontinuation of share transfer agent.
- ix. Corporate debt restructuring, if any done for the Company.
- x. 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.
- xi. Proceedings of annual and extraordinary general meetings of the Company along with prescribed details.
- xii. Amendments to memorandum and articles of association of Company, in brief.
- xiii. Schedule of analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.
- xiv. One time settlement with a bank.



- xv. Reference to BIFR and winding-up petition filed by any party / creditors.
- xvi. Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code, as required under the Listing regulations.

**B. The following shall be events/information of which the Company shall make disclosure to stock exchange(s) upon application of the Guidelines for Materiality:**

1. Commencement or any postponement in the date of commencement of 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 line(s) of business or closure of operations of any unit/division (entirety or piecemeal).
3. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts, not in the normal course of business.
4. Capacity addition or Product launch
5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business, revision(s) or amendment(s) and 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. Frauds/defaults by directors (other than key managerial personnel) or employees of the 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.



- C. 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 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.
- D. Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.

#### **7. PROCESS OF DISCLOSURE**

The Company shall make disclosure and intimation of the material events/information, contained in Point (iv) under Paragraph 6 (A) of this Policy to the stock exchanges, within 30 minutes of closure of the Board meeting. The intimation of outcome of meeting of the board of directors shall also contain the time of commencement and conclusion of the meeting.

The Company shall make disclosure of all material events/ information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information. Further, in case the disclosure is made after twenty-four (24) hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for delay.

Further, subject to applicable laws and regulations, it shall however be ensured that the Board of Directors and Senior Management shall conduct themselves so as to meet the expectation of operational transparency to stakeholders while at the same time maintain confidentiality of information in order to foster a culture of good decision-making.

#### **8. DISCLOSURE ON WEBSITE**

The Company shall disclose on its website all such events or information which has been disseminated to the stock exchanges under this Policy and such disclosures shall be hosted on the website of the Company and will be retained for a period of five years and thereafter as per the archival policy.

#### **9. POLICY REVIEW**

The Policy shall be reviewed annually or at earlier intervals, if necessary. Consequent upon any changes in the Listing Regulations and other applicable regulatory guidelines, if any, such change to the extent applicable to the Company, shall be deemed to be a part of this Policy until the Policy is reviewed and approved next time.

