

**POLICY ON DETERMINING
MATERIALITY OF EVENTS**

I. BACKGROUND:

PIL ITALICA LIFESTYLE LIMITED (“the Company”), being a listed entity, formulate a policy for determining materiality of events or information that warrant disclosure to investors. The policy on Determination of Materiality for disclosures (“Policy”) is being framed and implemented in accordance with the Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“the Regulations”).

The Company is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company’s securities are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and must comply with the continuous disclosure obligations imposed by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations) that come into effect from December 1, 2015.

II. OBJECTIVE:

The objectives of this Policy are as follows:

1. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other legislations.
2. To ensure that the information disclosed by the Company is timely and transparent.
3. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
4. To protect the confidentiality of Material / Price sensitive information within the context of the Company’s disclosure obligations.
5. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
6. To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.

III. DISCLOSURE OF EVENTS OR INFORMATION:

1. The Company shall make disclosures of any events or information which are material according to the Board of Directors of the Company or person delegated by the Board of Directors in this regard.
2. The Company shall make disclosures of any events or information which are material according to the Board of Directors of the Company or person delegated by the Board of Directors in this regard.
3. Upon occurrence of Events, as specified in Annexure A, and as specified in Para A of Part A of Schedule III of SEBI (LODR) Regulations, 2015, PILL shall forthright make disclosure of such events without any application of guidelines for materiality.
4. Upon occurrence of Events, as specified in Annexure B and as specified in Para B of Part A of Schedule III of SEBI (LODR) Regulations, 2015, GDL shall make disclosure of such events based on the guidelines for materiality.
5. 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 listed entity to appraise its position and to avoid the establishment of a false market in such securities.
6. All events or information with respect to Subsidiaries / Associates of the company which are material for the Company shall be disclosed to the Stock exchanges.
7. Without prejudice to the generality of events specified in Annexure A, B and Clause 5 above, the Company make disclosures of event/information as specified by the SEBI from time to time.

IV. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION:

The following are the criteria for determination of materiality of events/ information:

- 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) 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;
- 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 listed entity, the event / information is considered material.

V. AUTHORITY & TIMEFRAME TO DISCLOSE EVENTS:

1. The Company shall authorize the board of directors / one or more Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s).
2. The contact details of such authorized personnel will be disclosed as required under the Regulations including on the company's website.
3. The Company shall first disclose to stock exchange(s) of all events / information, as specified in Annexure A, as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information. Outcome of board meetings shall be disclosed within 30 minutes of the closure of the Board meeting.
4. Any material developments on any event disclosed to the stock exchanges shall be updated on regular basis till such event is resolved.
5. All disclosures made to the Stock exchange shall be disclosed on the company's website all such events for a minimum period of five (5) years and thereafter as per the archival policy of the Company i.e. archived for a period of one (1) year.

VI. AMENDMENT TO THIS POLICY:

The Board shall have the right to modify / supplement, withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In the event of any contradiction in the Documents Preservation Schedule and the statutory provisions, the period provided for in the statutory provisions shall prevail.

Further, in the event that the Company is served with any legal or statutory notice for any Document(s) from any of the statutory authorities or any litigation / proceeding is commenced by or against the Company, than the disposal of documents which are subject matter of such notice or litigation, etc. shall be suspended till such time the matter is settled or resolved or disposed of. The Legal Department shall immediately inform relevant employees of the Company for suspension of further disposal of Documents.

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

VII. EFFECTIVE DATE:

This Policy was approved by the Board of Directors in its meeting held on the 15th February, 2016 and it shall be deemed to be effective from the 1st day of December, 2015. The said policy is also hosted on company's website i.e. www.italicafurniture.com.

ANNEXURE A

Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) of SEBI (LODR) Regulations, 2015:

1. Acquisition(s), Scheme of Arrangement, or sale or disposal of any unit(s), division(s) or subsidiary of the Company or any other restructuring.
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 Company 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
 - h) financial results;
 - i) decision on voluntary delisting by the listed entity 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 the Company or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), 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 listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

ANNEXURE B

Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30) of SEBI (LODR) Regulations 2015:

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 listed entity due to 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 listed entity.
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.
