

RAINBOW CHILDREN'S MEDICARE LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION



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1. INTRODUCTION

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**SEBI Listing Regulations**”), requires every Listed Company to formulate a Policy on Determination of Materiality of Events/ Information (“**Policy**”) for determination of materiality of events or information and for disclosure of material events or information to the stock exchanges.

In compliance of the applicable provisions of the SEBI Listing Regulations, including the requirements of Regulation 30 and the applicable Industry Standards on Regulation 30 recognised by the Securities and Exchange Board of India (“**SEBI**”), the Board of Directors of Rainbow Children's Medicare Limited (“**RCML**” or the “**Company**”) has adopted this policy.

The Policy shall be read in conjunction with Regulation 30, Schedule III and other applicable provisions of the SEBI Listing Regulations, the applicable circulars issued by SEBI and the Industry Standards on Regulation 30, as amended from time to time.

2. EFFECTIVE DATE

This Policy is effective from May 10, 2022 i.e., Date of commencement of trading in Company's shares at the BSE Limited and the National Stock Exchange of India Limited.

3. DEFINITIONS

- a. “**Company**” means Rainbow Children's Medicare Limited.
- b. “**Board**” means the Board of Directors of Rainbow Children's Medicare Limited.
- c. “**Compliance Officer**” means the Company Secretary of the Company.
- d. “**Officer**” includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act.

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- e. **“SEBI Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- f. **“Policy”** means this Policy on Determination of Materiality of Events/ Information.
- g. **“Schedule III”** means Schedule III to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Any other term not defined herein shall have the same meaning as ascribed to it under the Companies Act, 2013, SEBI Listing Regulations or any other relevant regulations/ legislations applicable to the Company.

- h. **“Chief Executive Officer” or “CEO”** means the person so appointed and designated by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.
- i. **“Chief Financial Officer” or “CFO”** means the person heading and discharging the finance function of the Company and designated as such by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.
- j. **“Key Managerial Personnel” or “KMP”** shall have the meaning assigned to it under the Companies Act, 2013 and the SEBI Listing Regulations, as applicable.
- k. **“Industry Standards on Regulation 30”** means the industry standards formulated by the Industry Standards Forum, under the aegis of the recognised stock exchanges and in consultation with SEBI, for effective implementation of the requirements relating to disclosure of material events or information under Regulation 30 of the SEBI Listing Regulations, as amended from time to time.
- l. **“Industry Standards Note on verification of Market Rumours”** means the industry standards formulated for verification of market rumours under Regulation 30(11) of the SEBI Listing Regulations, as amended from time to time.

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- m. **“Senior Management”** shall have the meaning assigned to it under the SEBI Listing Regulations.
- n. **“Stock Exchange(s)”** means the recognised stock exchanges(s) on which the securities of the Company are listed.

4. **OBJECTIVES OF THE POLICY**

This Policy has been framed with the objective of providing adequate and appropriate disclosures that are consistent with the facts of the material events. The current Policy mechanisms provides for:

- a. the procedure determining the materiality of the events/ information;
- b. the procedure governing the disclosure of the events that are deemed to be material;
- c. the time frame within which such information is to be disclosed;
- d. the guidance as to when event/ information can be said to have occurred for making disclosure under Regulation 30 of SEBI Listing Regulations;
- e. the authority for determining the materiality of event/ information.
- f. the framework for verification and confirmation, denial or clarification of market rumours, wherever applicable, in accordance with Regulation 30 of the SEBI Listing Regulations and the applicable Industry Standards on verification of market rumours.

5. **DISCLOSURE OF MATERIAL EVENTS/ INFORMATION**

- a. The Company shall make disclosure of all events or information which are material in terms of Regulation 30 of the SEBI Listing Regulations and this Policy, as soon as reasonably possible and within the timelines prescribed under the SEBI Listing Regulations.

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- b. The events or information specified in Para A of Part A of Schedule III of the SEBI Listing Regulations shall be disclosed without application of any materiality thresholds, as such events or information are “deemed” to be material.
- c. The events or information specified in Para B of Part A of Schedule III of the SEBI Listing Regulations shall be disclosed upon application of the materiality criteria specified under Regulation 30(4) of the SEBI Listing Regulations and Clause 6 of this Policy.
- d. 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 listed entity 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.
- e. The Company shall disclose all events or information with respect to its subsidiaries which are material for the Company, in accordance with the SEBI Listing Regulations.
- f. The Company shall make disclosures in accordance with the applicable Industry Standards on Regulation 30 and such other guidance, circulars or standards as may be issued by SEBI or the recognised stock exchange(s) from time to time.

6. **GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION**

Materiality of an event must be determined on a case to case basis depending on specific facts and circumstances relating to it. Such determination shall be done on both qualitative and quantitative grounds. The criteria given hereunder shall be used as a guide and/ or reference for determining materiality and arriving at the overall decision on whether to report the event. These criteria shall apply to Events specified in Para B of Part A of Schedule III of the SEBI Listing Regulations.

- a. **Qualitative Criteria:** - The Company shall apply the following qualitative criteria for materiality assessment as defined under SEBI Listing Regulations:

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- i. The omission of an event or information, which is likely to result in discontinuity or alteration of event/ information already available publicly; or
 - ii. The omission of an event or information, which is likely to result in significant market reaction if the said omission came to light at a later date; or
 - iii. It is deemed to be material under applicable laws and regulations.
- b. Quantitative Criteria:** - The Company shall apply the following quantitative criteria for determining materiality of an event or information, as prescribed under the SEBI Listing Regulations:
- i. The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following: -
 - 2% of Turnover* (or)
 - 2% of Net worth*, except in case the arithmetic value of the net worth is negative (or)
 - 5% of the average of absolute value of profit or loss after tax as per the last three audited consolidated financial statements of the Company.

**As per the last Audited Consolidated financial statements of the Company.*

In case where the criteria specified in sub-point (a) or (b) are not applicable, an event/ information may be treated as being material if it has a material effect on the Company or in the opinion of the Board and/ or Authorised Person of the Company, the event/ information is considered material.

7. TIMEFRAME FOR DISCLOSURE OF MATERIAL EVENTS/ INFORMATION

- a. The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the SEBI Listing Regulations and this Policy, as soon as reasonably possible and within the timelines prescribed under the SEBI Listing Regulations including:

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- i. within thirty (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, subject to the applicable provisions of the SEBI Listing Regulations;
- ii. within twelve (12) hours from the occurrence of the event or information, where the event or information emanates from within the Company;
- iii. within twenty-four (24) hours from the occurrence of the event or information, where the event or information does not emanate from within the Company.
- iv. Notwithstanding the above, where a specific timeline is prescribed under Part A of Schedule III or elsewhere under the SEBI Listing Regulations for disclosure of a particular event or information, such prescribed timeline shall apply.

Provided that if all the relevant information, in respect of claims which are made against the Company 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 Company in terms of provisions of the SEBI (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 Company.

Provided further that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

Provided further that in case the disclosure is made after the timelines specified under the SEBI Listing Regulations, then, along with such disclosure, Company shall provide the explanation for the delay.

Note: Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors.

- b. The Company shall, with respect to disclosures mentioned in Regulation 30 of SEBI Listing Regulations, as specified in Clause 5 of this policy, make disclosures updating material

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developments on a regular basis, till such time the event is resolved/ closed, with relevant explanations.

- c. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- d. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange.

All the above disclosures will be hosted on the website of the Company for a minimum period of five years and thereafter archived in accordance with the Company's Preservation and Archival Policy.

8. VERIFICATION OF MARKET RUMOURS

- a. The Company shall comply with the requirements relating to verification of market rumours under Regulation 30(11) of the SEBI Listing Regulations, as applicable to the Company from time to time.
- b. The Company shall confirm, deny or clarify, as applicable, any reported event or information in the mainstream media which is subject to the market rumour verification requirements under the SEBI Listing Regulations and the applicable Industry Standards on verification of market rumours.
- c. The requirement to verify market rumours shall be triggered in accordance with the applicable provisions of the SEBI Listing Regulations and the framework prescribed by SEBI and the recognised stock exchange(s), including the criteria relating to material price movement, as applicable.
- d. The Company shall endeavour to provide adequate, accurate and timely clarification or confirmation in respect of market rumours based on the information available with the Company and in accordance with the applicable regulatory requirements.
- e. The CEO, CFO and Company Secretary & Compliance Officer shall coordinate with the relevant internal stakeholders and authorised officials for responding to market rumours and queries received from the stock exchange(s), as may be applicable.
- f. The Company shall follow the applicable Industry Standards Note on verification of market rumours, as recognised by SEBI, as amended from time to time.

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9. **GUIDANCE ON TIMING OF OCCURRENCE OF AN EVENT OR INFORMATION:**

The Company may be confronted with the question as to when an event/ information can be said to have occurred for making disclosure under this Policy read with Regulation 30 and Schedule III of SEBI Listing Regulations.

- a. In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc, the answer to the above question would depend upon the timing when the Company became aware of the event/ information.
 - i. In the former, the events/ information can be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events/ information after receipt of approval of both i.e. Board of Directors and Shareholders.
 - ii. However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

In-principle approval or approval to explore a transaction or proposal, which is not a final decision and does not otherwise constitute an event or information requiring disclosure under the SEBI Listing Regulations, would generally not require disclosure under Regulation 30. However, the Company shall assess the facts and circumstances of each case to determine whether disclosure is required under the SEBI Listing Regulations, including where the information otherwise meets the applicable materiality criteria or is necessary to avoid the establishment of a false market.

- b. In the later, the events/ information can be said to have occurred when the Company becomes aware of the events/ information, or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

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10. GUIDELINES FOR COMMUNICATION OF EVENT INFORMATION RECEIVED FROM REGULATORY/ STATUORY AUTHORITIES ETC.

Where an event or information is required to be disclosed by the Company under Regulation 30 of the SEBI Listing Regulations pursuant to receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose the relevant event or information, together with the material details required under Schedule III to the SEBI Listing Regulations and the applicable Industry Standards on Regulation 30, unless disclosure of such communication or any part thereof is prohibited by such authority or otherwise restricted under applicable law.

11. AUTHORITY FOR DETERMINING MATERIALITY OF AN EVENT OR AN INFORMATION:

The authority for determining materiality of an event/ information lies jointly with the decision of the following members as soon as reasonably possible whenever they become aware of the credible and concrete information of the occurrence of any event or coming into existence of any information and on the basis of facts and circumstances prevailing at given point in time:

S. No	Designation
1	Chairman and Managing Director
2	Chief Executive Officer
3	Chief Financial Officer
4	Company Secretary and Compliance Officer

The above-named officials / designated functionaries shall be authorised, jointly or severally, as applicable, for determining the materiality of an event or information in accordance with the SEBI Listing Regulations and this Policy for seeking appropriate counsel or guidance from internal or external stakeholders, as may be necessary.

The authorisation under this Clause shall apply to persons holding the respective positions from time to time and shall not require amendment to this Policy solely on account of a change in the person occupying such position.

Whenever the relevant employees of the Company become aware of any event/ information as outlined in this Policy, or as soon as or ought to have been reasonably come into possession

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of the information in course of performance of their duties, they shall identify potential material event or information in light of SEBI Listing Regulations read with this Policy and report the same to the above referred officials for the purpose of determining the materiality of the said event or information.

Based on the decision of the above-named officials, the Compliance Officer shall be responsible for making disclosure to the Stock Exchange. The contact details of the Compliance Officer shall be made available on the website of the Company.

12. **OBLIGATIONS OF INTERNAL STAKEHOLDERS:**

Upon occurrence of any event or information, including the information specified in Para A and Para B of Part A of Schedule III of the SEBI Listing Regulations, shall forthwith inform to the above-named officials in clause 10 ("**Officials**"), with adequate supporting data/ information, to facilitate a prompt and appropriate disclosure to the stock exchanges. Officials will then ascertain the materiality of such event(s) or information.

13. **RESPONSIBILITY OF EMPLOYEES, KMP AND SENIOR MANAGEMENT**

- a. All employees, Key Managerial Personnel and Senior Management Personnel of the Company shall promptly bring to the attention of the authorised officials any event or information which may potentially require disclosure under Regulation 30 of the SEBI Listing Regulations.
- b. Such information shall be provided together with all relevant facts, supporting documents and such other information as may be necessary to enable the Company to assess the materiality of the event or information and make timely disclosure.
- c. The Company shall endeavour to ensure appropriate awareness among relevant employees, Key Managerial Personnel and Senior Management Personnel regarding their obligations under this Policy and the applicable provisions of the SEBI Listing Regulations.

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14. DISCLOSURE OF CERTAIN AGREEMENTS

The Company shall comply with the applicable requirements of Regulation 30A of the SEBI Listing Regulations in relation to disclosure of agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, Key Managerial Personnel, employees of the Company or of its holding, subsidiary or associate company, as applicable, which directly or indirectly, either individually or in combination with other agreements, have an impact on the management or control of the Company or impose any restriction or create any liability upon the Company, in accordance with the SEBI Listing Regulations and applicable guidance/Industry Standards.

15. AMENDMENTS TO THE POLICY:

The Board of Directors may review or amend this Policy, in whole or in part, from time to time, as may be necessary to comply with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, circulars, notifications, directions, Industry Standards and other applicable laws or regulations.

Any amendment to the applicable laws, rules, regulations, circulars, notifications or Industry Standards relating to matters covered under this Policy shall, to the extent applicable, prevail over the provisions of this Policy.

The Policy shall be interpreted in accordance with the applicable laws and regulations as amended from time to time. In case of any inconsistency between this Policy and the applicable laws or regulations, the provisions of such applicable laws or regulations shall prevail.

The Company Secretary and Compliance Officer shall place before the Board such amendments to this Policy as may be necessary or appropriate to align the Policy with changes in applicable laws, regulations, circulars or Industry Standards.

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DOCUMENT CONTROL

Approved by	Initial Date of Approval	Last amended Date	Version
Board	March 25, 2022	September 23, 2026	3.0

VERSION / AMENDMENT HISTORY

Version	Date	Approved by	Nature of Amendment / Key Changes
1.0	March 25, 2022	Board	Initial approval of Policy
2.0	February 9, 2025	Board	Amendment to update the name of the Company Secretary & Compliance Officer pursuant to the resignation of Mr. Ashish Kapil and appointment of Ms. Shreya Mitra as Company Secretary & Compliance Officer.
3.0	September 23, 2026	Board	Comprehensive revision of the Policy to align with amendments to the SEBI Listing Regulations and applicable Industry Standards on Regulation 30, including updates relating to materiality assessment, disclosure timelines, verification of market rumours, regulatory/statutory communications, responsibilities of authorised officials and internal stakeholders, and disclosure of specified agreements; and consequential update of the Chief Financial Officer and inclusion of the Chief Executive Officer under the Policy."