



**POLICY FOR DETERMINATION OF MATERIALITY  
OF EVENTS AND INFORMATION**

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

This Policy for determination of materiality of events and information for disclosure to the Stock Exchanges (hereinafter referred to as 'the Disclosure Policy or this / the Policy') is framed in terms of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Regulations 2015').

## **1. GUIDELINES**

- A. The following will be disclosed to the Stock Exchanges any time after the decision is taken or approval is granted but no later than 30 minutes of the conclusion of the meeting of the Board of Directors of the Company (hereinafter referred to as the 'Board'):
- i. Approval of financial results;
  - ii. Recommendation of dividend to the shareholders or declaration of interim Dividend, including the date of payment of dividend recommended/ declared;
  - iii. Decision of not to recommend dividend;
  - iv. Approval / recommendation to the shareholders of fund raising proposal through issue of securities or acceptance of deposits from the members / public;
  - v. Recommendation to the shareholders for issue of bonus shares and related information;
  - vi. Approval / recommendation to the shareholders for buy back of securities;
  - vii. Approval of forfeiture of securities, re-issue of forfeited securities or alteration of call(s) on securities;
  - viii. Recommendation to the shareholders for alteration of share capital;
  - ix. Approval / recommendation to the shareholders for voluntary delisting of the Company's securities from one or more Stock Exchange(s).
- B. The following events / information will be disclosed to the Stock Exchanges as soon as possible but no later than 24 hours of the **occurrence of the event / information**:

- i. Approval of the Board for acquisition, directly or indirectly, of control of a company, or entering into agreement for this purpose.
- ii. Acquiring or agreeing to acquire, directly or indirectly, shares / voting rights of a company, such that the shareholding / voting rights aggregate 5% or more of that company's total shareholding / voting rights.
- iii. Changes in shareholding in a company from the last disclosure made to the Stock Exchanges under Clause (ii) above, when such change exceeds 2% of that company's total shareholding / voting rights.
- iv. Recommendation by the Board to the shareholders of a Scheme of Arrangement for amalgamation, merger, demerger or other such restructuring;
- v. Approval of the Board / recommendation by the Board to the shareholders for sale or disposal of a Manufacturing Unit / Division of the Company or sale or disposal of a Subsidiary of the Company.
- vi. Issue of securities by way of rights, bonus shares or in any other manner, alteration of capital and sub-division or consolidation of shares.
- vii. Forfeiture of securities, re-issue of forfeited securities or alteration of call(s) on securities.
- viii. Redemption of securities of the Company.
- ix. Buyback of securities of the Company.
- x. Recommendation by the Board to the shareholders for alteration in the terms of securities of the Company.
- xi. Imposition of restriction on transferability of securities of the Company by any authority.
- xii. Change in Directors, Key Managerial Personnel (KMP), Statutory Auditors and Compliance Officer appointed under the Regulations 2015.
- xiii. Notices, call letters, resolutions and circulars sent to and advertisements issued for the information of all shareholders / creditors / debenture holders, or any class thereof.
- xiv. Brief details of General Meeting held.
- xv. Recommendation by the Board to the shareholders for amendment to Memorandum and Articles of Association of the Company.
- xvi. Schedule of analysts or institutional investors' meet organised by the Company and presentations on financial results made by the Company to analysts or institutional investors at such meets.

The Company will ensure that no material information is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders. In the unlikely event of any material information being disclosed selectively, inadvertently or otherwise, at a meeting with analysts or at any investor relations conference, such information would be promptly disclosed to the Stock Exchanges.

- xvii. Knowledge of fraud by KMP or by the Company or arrest of KMP.
  - xviii. Occurrence of default by KMP or the Company (and not merely procedural default).
  - xix. Entering into shareholder agreement or joint venture agreement, to the extent that it impacts management and control of the Company, or entering into agreement with media companies which is binding and not in the normal course of business, including amendment thereto or termination thereof.
  - xx. Corporate debt restructuring and one time settlement with banks.
  - xxi. Reference to BIFR made by Company.
  - xxii. Rating of securities of the Company by a credit rating agency, including revision, if any.
  - xxiii. Approval of the Board for appointment or discontinuation of Share Transfer Agents.
- C. The following events / information will be disclosed to the Stock Exchanges as soon as possible but no later than 24 hours of the **occurrence of the event / information**, if the impact of such event / information on the Company exceeds 10% of its gross turnover or 10% of its net worth, whichever is higher, such turnover / net worth to be based on the latest audited annual financial statements of the Company:
- i. Commencement or postponement in the date of commencement of commercial production or commercial operations of a Manufacturing Unit / Division of the Company.
  - ii. Change in the general character or nature of business of the Company through strategic, technical, manufacturing or marketing tie-up with external party.
  - iii. Adoption of new line of business or closure of operations of a Manufacturing Unit /Division of the Company.
  - iv. Capacity addition.

- v. Disruption of operations of a Manufacturing Unit / Division of the Company due to natural calamity (force majeure events) or events such as strikes, lockouts etc.
- vi. Change in regulatory framework impacting the business of the Company.
- vii. Litigation / dispute / regulatory action against the Company or its KMP.
- viii. Knowledge of fraud by Directors or employees, other than KMP, of the Company.
- ix. Occurrence of default by Directors or employees, other than KMP, of the Company (and not merely procedural default).
- x. Recommendation by the Board to the shareholders to a Scheme for grant of stock Options under the SEBI (Share Based Employee Benefits) Regulations, 2014.
- xi. Details of grant, vesting and exercise of Stock Options under the Company's Employee Stock Option Schemes, where such grant, vesting or exercise exceeds 1% of the paid-up share capital of the Company, based on the latest audited annual financial statements of the Company.
- xii. Any other significant development / event / information that is likely to impact the Company's business, to the extent indicated above.
- xiii. Any other material event / information which is exclusively known to the Company and needs disclosure to enable the shareholders to appraise the Company's position.

**2.** Under the above said clauses A, B, C 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.

**3.** The Managing Director, Executive Director, Chief Financial Officer and Company Secretary are jointly and severally authorized for the purpose of determining materiality of an event or information and for making disclosures of such material event or information to the stock exchanges.

**4. Archival policy:** such disclosures/ information shall be hosted on the website of the Company for a minimum period of five years and thereafter shall be removed. However, backup of the same shall be maintained in the separate disk/drive. The Managing Director may authorize IT head or any other person to take appropriate decision for discloser of information as per availability of webpage space.

**5.** The Managing Director is authorized to make appropriate changes to the above policy as he may deem expedient taking into account the law for the time being in force.

**6.** The policy shall be disclosed on the website of the Company.

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\*Amended on 13.02.2016 due to applicability of SEBI (LODR) Regulations, 2015