



GUJARAT POLY ELECTRONICS LIMITED

**POLICY ON CRITERIA FOR DETERMINATION OF
MATERIALITY OF EVENTS OR INFORMATION**

GUJARAT POLY ELECTRONICS LIMITED

CIN: L21308GJ1989PLC012743

B-18 GANDHINAGAR ELECTRONIC ESTATE

GANDHINAGAR GUJARAT – 382 024

Amended on 1st August, 2023



1. INTRODUCTION

The Board of Directors (The “Board”) of Gujarat Poly Electronics Limited (the “Company”) has adopted the following policy and procedures with regard to ‘Determination of Materiality’ on its board meeting held on 2nd November, 2015.

The Board on its meeting held on 1st August, 2023 have amended this policy based on the amendments made to Regulation 30 and Schedule III of the LODR Regulations, by way of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 (“LODR Amendments”) and the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023 (“SEBI Disclosure Circular”). The Board may review and amend this Policy from time to time.

This Policy will be applicable to the Company with effect from December 1, 2015 and the amended Policy is applicable with effect from July 14, 2023.

2. POLICY OBJECTIVE

The objective of the Policy is to assist the employees of the Company in identifying potential material events or information in an objective manner that may originate at the ground level which can be promptly escalated and reported to the authorised Key Managerial Personnel or other officers of the Company for determining the materiality of the said event or information and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

3. CRITERIA FOR DETERMINING OF MATERIALITY OF EVENTS/INFORMATION

Events / Information shall be considered as material:

- (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) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (i) 2% (two per cent) of consolidated turnover, as per the last audited consolidated financial statements of the Company; or
 - (ii) 2% (two per cent) of consolidated net worth as per the last audited consolidated financial statements of the Company (except in case the arithmetic value of the net worth is negative)); or
 - (iii) 5% (five percent) of average of absolute value of consolidated profit or loss after tax for last 3 years, as per the last 3 (three) audited consolidated financial statements of the Company.



- (d) In case where the criteria specified in sub-clauses (a) (b) and (c) 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.

4. DISCLOSURE OF EVENTS OR INFORMATION

- A. Events Specified in **Para A of Part A of Schedule III of the LODR Regulations (Para A Events)**, upon occurrence of which Company shall make disclosure to the Stock Exchange, based on application of the guidelines/Criteria for materiality, as specified in point 3 above.
- B. Events Specified in **Para B of Part A of Schedule III of the LODR Regulations (“Para B Events”)** upon occurrence of which Company shall make disclosure to the Stock Exchange, based on application of the guidelines/Criteria for materiality, as specified in point 3 above.
- C. Any Other material Events/Information which, in opinion of the Board of Directors, is material and the events, which has not been indicated in **Para A or Para B**, but which may have material effect on it, the Company shall make adequate disclosure in regard thereof.

5. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION & ITS TIMELY DISCLOSURE

The occurrence of material events/information could be either emanating from within or outside the listed entity by the Company’s own accord or for reasons not in the hands of the Company. It can be categorized as under:

- (a) depends upon the stage of discussion, negotiation or approval; and
(b) in case of natural calamities disrupting operations etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 5(a), the events/information can be said to have occurred upon receipt of approval of the 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. 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. Approvals other than final approvals, such as in-principle approvals, exploratory approvals etc. will not require disclosure under this Code.

In respect of the events under 5(b), 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 entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term ‘officer’ shall have the same meaning as defined under the Act and shall also include Promoter of the Company.



6. TIMELINE FOR MAKING DISCLOSURE OF INFORMATION/EVENTS TO STOCK EXCHANGE

All events/information identified as material in line with the regulation and under this Policy shall be disclosed as soon as reasonably possible and in any case not later than the following:

- (i) For all material events/ information for which decision is taken in a Board meeting within 30 (thirty) minutes from the closure of the board meeting;
- (ii) For all material events/ information emanating from within the Company within 12 (twelve) hours from the occurrence of the event or information;
- (iii) For all material events/ information relating to the Company but emanating from outside the Company within 24 (twenty-four) hours from the occurrence of the event or information.

In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

7. KEY MANAGERIAL PERSONNEL (KMP) AUTHORIZED BY THE BOARD OF DIRECTORS TO DETERMINE THE MATERIALITY

Mr. Atul H Mehta, Managing Director and Ms. Nivedita S. Nambiar, Company Secretary and Compliance Officer shall severally have the authority to determine Materiality of any event or information and ensure disclosures of the same are made to stock exchange, subject to the provisions of Policy.

Contact details

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8. POSTING OF INFORMATION ON COMPANY'S WEBSITE

All such events or information which has been disclosed to stock exchange(s) under this regulation, to be placed on the website of the company for a minimum period of five years and thereafter as per the Policy on Preservation of Documents of the company.