



GUJARAT POLY ELECTRONICS LIMITED

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

GUJARAT POLY ELECTRONICS LIMITED

CIN: L21308GJ1989PLC012743

B-18 GANDHINAGAR ELECTRONIC ESTATE GANDHINAGAR

GUJARAT – 382 024



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’ as defined below on its board meeting held on 2nd November, 2015. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company with effect from 1 December, 2015 in terms of Regulation 30 (4) (ii) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

2. POLICY OBJECTIVE

The objective of the Policy is to determine materiality of events or information of the Company 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) 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.

4. DISCLOSURE OF EVENTS OR INFORMATION

- A. Events Specified in **Annexure 1** to the Policy on page 4, upon occurrence of which Company shall make disclosure to the Stock Exchange.
- B. Events Specified in **Annexure 2** to the Policy on page 6, 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 **Annexure 1 or Annexure 2**, but which may have material effect on it, the Company shall make adequate disclosure in regard thereof.

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

Mr. Atul H Mehta, Managing Director and Mr. Dharmesh H. Upadhyaya, 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

Atul H. Mehta
Managing Director
ahm@kilachand.com
022 – 22820048

Dharmesh H. Upadhyaya
Company Secretary & Compliance Officer
Dharmesh_g7@yahoo.com
022 - 22820048

6. TIME LIMIT FOR DISCLOSURE OF INFORMATION/EVENTS

The Company shall first disclose to stock exchange(s) of all events or information, as specified in **point 4**, as soon as reasonably possible and not later than (24) twenty four hours from the occurrence of event or information.

Provided that, in case the disclosure is made after (24) twenty four hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for such delay.

Provided further that, disclosure with respect to events specified in **Part D of Annexure 1** of policy shall be made within (30) thirty minutes of the conclusion of the board meeting.

7. 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.



Annexure 1

The below list of events as specified in **Para A of Part A of Schedule III** of the Listing Regulations, are deemed to be material events and disclosure of such events shall be made to the Stock exchanges as per the Listing regulations, 2015 and as amended from time to time.

- A. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,-

(i)acquiring control, whether directly or indirectly; or,

(ii)acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -

(a)the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;

(b)there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.

- B. 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.
- C. Revision in Rating(s).
- D. Outcome of Meetings of the board of directors, held to consider the following:
- i. 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;
 - ii. any cancellation of dividend with reasons thereof;
 - iii. the decision on buyback of securities;
 - iv. the decision with respect to fund raising proposed to be undertaken
 - v. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - vi. 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;
 - vii. short particulars of any other alterations of capital, including calls;
 - viii. financial results;
 - ix. decision on voluntary delisting by the listed entity from stock exchange(s).



- E. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), 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.
- F. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- G. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- H. Appointment or discontinuation of share transfer agent.
- I. Corporate debt restructuring.
- J. One time settlement with a bank.
- K. Reference to BIFR and winding-up petition filed by any party / creditors.
- L. 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.
- M. Proceedings of Annual and extraordinary general meetings of the listed entity.
- N. Amendments to memorandum and articles of association of listed entity, in brief.
- O. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;



Annexure 2

The below list of events as specified in **Para B of Part A of Schedule III** of listing regulations, as amended from time to time, to be disclosed to the stock exchanges based on application of the guidelines for materiality.

- A. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- B. 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).
- C. Capacity addition or product launch.
- D. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- E. 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.
- F. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
- G. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
- H. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- I. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- J. Options to purchase securities including any ESOP/ESPS Scheme.
- K. Giving of guarantees or indemnity or becoming a surety for any third party.
- L. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.