

**Policy for Determination of Materiality of an Event for  
Disclosure to Stock Exchanges.**



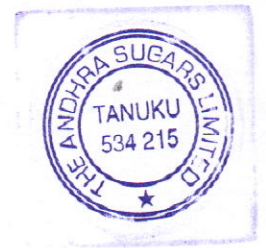
**1. OBJECTIVE**

- a) To comply with Regulation 30 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the Regulations).
- b) To frame a criteria for determination of materiality of an event or information for making disclosure to Stock Exchanges.

**2. DISCLOSURE POLICY**

- a) The Company shall make disclosure of any event or information which in the opinion of the Board of Directors is material.
- b) Events specified in Para A of Part A of schedule III of the Regulations are deemed to be material events and the company shall make disclosure of such events without any application of the guidelines of materiality. Such events in brief are given below.
  - i) Acquisitions, amalgamation, merger, demerger, restructuring or sale or disposal of any unit or division
  - ii) Issuance or forfeiture of securities, split or consolidation of shares, buy back of shares etc.
  - iii) Revision in rating
  - iv) Outcome of Board of Directors meetings relating to dividend, financial results etc.
  - v) Agreements such as shareholder agreement, joint venture agreements, family settlement agreement
  - vi) Fraud or defaults by promoter or key managerial personnel of the company
  - vii) Change in director, key managerial personnel
  - viii) Appointment or discontinuation of share transfer agent
  - ix) Corporate debt restructuring
  - x) Onetime settlement with a bank
  - xi) Reference to BIFR

Contd



- xii) Issuance of notices, call letters, circulars to shareholders
  - xiii) Proceedings of Annual or Extra-ordinary General Meetings
  - xiv) Amendment to Memorandum and Articles of Association
  - xv) Schedule of Analyst or Institutional Investor Meets
- c) Events specified in Para B of Part-A of Schedule III of the Regulations shall be disclosed to the Stock Exchanges upon application of the criteria for materiality. Such events in briefly are given below.
- i) Commencement of commercial operation of any unit / division.
  - ii) Adoption of new lines of business or closure of operations
  - iii) Capacity addition or product launch
  - iv) Contracts not in normal course of business
  - v) Agreements which are binding the company and not in normal course of business
  - vi) Disruption of operations
  - vii) Effects arising out of change in the regulatory frame work.
  - viii) Litigations / disputes with impact
  - ix) Fraud / defaults etc., by Directors (other than Key Managerial Persons) or employees.
  - x) Options to purchase securities
  - xi) Giving of guarantee or indemnity or becoming a surety for any third party.
  - xii) Surrender or cancellation or suspension of licenses or regulatory approvals.

### 3. CRITERIA FOR MATERIALITY

The criteria for determination of materiality of events / information are as given below.

- 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 the company, the event / information is considered material



4. **DECISION ON MATERIALITY**

The Board of Directors for the purpose of determining materiality of an event / information to make disclosures to Stock Exchanges under the Regulations authorized Sri B.B. Ramaiah, Chairman & Managing Director and any other person who from time to time occupies the said position.

5. **METHOD OF DISCLOSURES**

The Company shall disclose events or information as soon as reasonably possible and not later than 24 hours from the occurrence of an event or information. In case of delay an explanation shall also be provided along with the disclosures. The disclosures with respect to items in sub-para 4, Para A, Part A of Schedule III of the Regulations like declaration of dividend, financial results etc., shall be made within 30 minutes of the conclusion of the Board Meeting. All the events or information disclosed to Stock Exchanges shall also be disclosed on its website. The company shall provide specific and adequate reply to all the queries received from Stock Exchanges on the events or information disclosed.

The policy was approved by Board of Directors at its Meeting held on 06.02.2016 will be effective from 01.03.2016.

Sd/- x x X X x  
CHAIRMAN & MANAGING DIRECTOR