

# TRANSPEK INDUSTRY LIMITED

## POLICY FOR DETERMINING MATERIALITY OF EVENTS AND INFORMATION

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### **DISCLOSURE REQUIREMENTS UNDER THE LISTING REGULATIONS:**

Regulation 30 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) mandates that every listed entity shall make disclosure of material events or information to the Stock Exchanges.

Regulation 30 (8) of the Listing Regulations requires every listed company to also disclose on its website all the events and information which are disclosed to the Stock Exchanges in accordance with the Regulation 30 of the Listing Regulations.

The Listing Regulations divide the events/information that need to be disclosed broadly in two categories.

The first category of events / information are those events/information **that are deemed material** under the Regulations and have to be **mandatorily** disclosed to the Stock Exchange **without applying any test of materiality**.

The second category of events/information are those events/ information the disclosure of which is required to be made to the Stock Exchanges, **if considered material** by the designated Key Managerial Personnel (KMPs) of the listed entity, as per the Policy framed by the Board of Directors based on **the criteria for materiality given in Regulation 30(4)(i)(a) & (b)**.

Under the Listing Regulations the Board of Directors is required to frame a policy based on the criteria for determining materiality of the events and information, given in Regulation 30(4) (i)(a) and (b).

The third category of events/information are where the criteria specified in sub-clauses (a) and (b) are not applicable, but in the opinion of the Board of Directors the event or information is considered material.

The Company's Board of Directors has approved this Policy on 3<sup>rd</sup> November, 2015.

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### **OBJECTIVE:**

The Objective of this Policy is to lay down criteria for determining materiality of events and information set out in Para B of Part A of SCHEDULE III of the Listing Regulations.

### **CATEGORY OF EVENTS:**

#### **A. EVENTS DEEMED MATERIAL AND TO BE DISCLOSED MANDATORILY WITHIN 24 HOURS, EXCEPT OUTCOME OF BOARD MEETINGS SPECIFIED IN SUB PARA -4 BELOW (PARA A OF PART A OF SCHEDULE III) :**

1. 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.
2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms of existing securities.
3. Revision in Rating(s).
4. Following outcome of meetings of the board of directors relating to :
  - declaration / recommendation / passing of dividends and/or cash bonus any cancellation of dividend with reasons thereof;
  - the decision on buyback of securities;
  - the decision with respect to fund raising;
  - increase in capital through bonus shares;
  - financial results;
  - decision on voluntary delisting by the listed entity from stock exchange(s);

shall be intimated to the Stock Exchange within 30 minutes from the completion of the meeting of the Board of Directors.

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) with media companies.

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6. Fraud/ Defaults by promoter or key managerial personnel or by the listed entity or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
8. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
10. One time settlement (OTS) with a Bank.
11. Reference to BIFR and winding-up petition filed by any party / creditors.
12. 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.
13. Proceedings of annual and extraordinary general meetings.
14. Amendments to memorandum and articles of association.
15. Schedule of analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

**B. EVENTS TO BE DISCLOSED IF CONSIDERED MATERIAL UPON APPLICATION OF THE CRITERIA OF MATERIALITY OR CONSIDERED MATERIAL BY THE BOARD OF DIRECTORS WITHIN 24 HOURS (PARA B and C OF PART A OF SCHEDULE III):**

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.

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2. 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).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. 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.
6. Disruption of operations of any one or more units or division of the entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Litigation(s) / dispute(s) / regulatory action(s).
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

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- C. 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.

### **CRITERIA FOR DETERMINING MATERIALITY:**

The Company shall make disclosure of events indicated in Para B and C of Part A of Schedule III and other events not indicated in Schedule III, if following criteria of determining materiality of events/ information apply to them:

- (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**;

The event/ information meeting the above criteria shall be considered material if, in the opinion of the Board of Directors or Designated KMPs, if the **alteration** of event / information **already available publicly** or **market reaction** due to omission of an event or information which comes **to light at a later date** is likely to impact the turnover or profit of the Company by more than 10% of its turnover or profit of the immediate preceding year and the likely change in the turnover of the Company in absolute term is not less than ₹ 100 crore or profit of the Company in absolute term is not less than ₹10crores.

- D. Any other events or information which is not covered in the above criteria but is material in the opinion of the Board of Directors or Key Managerial Personnel authorised by the Board.

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### **DESIGNATED KEY MANAGERIAL PERSONNEL**

The Board of Directors designates the Managing Director, in his absence the Executive Director to be the Designated KMPs severally authorizing them to determine materiality of an event or information for the purpose of making disclosure to the Stock Exchanges under this Policy framework. The Designated KMPs may consult the CFO, the Company Secretary and such other senior employees and consultants / advisors as they may deem fit while determining materiality of events / information.

The contact details of the Managing Director and the Executive Director are as follows:

1. Mr. Atul G. Shroff, Managing Director  
Tel: (0265) 2335444  
E-mail:[\*\*investorrelations@transpek.com\*\*](mailto:investorrelations@transpek.com)
2. Mr. Bimal V. Mehta, Executive Director  
Tel: (0265) 2335444  
E-mail:[\*\*investorrelations@transpek.com\*\*](mailto:investorrelations@transpek.com)