



## POLICY FOR DETERMINATION OF MATERIALITY

### 1. INTRODUCTION AND APPLICABILITY

Regulation 30(4)(ii) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that "The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors."

The Board of Directors (the "Board") of **GINNI FILAMENTS LIMITED** (hereinafter referred to as "Company"), adopts this policy and procedures with regard to determination of materiality of events or information to make a disclosure of any events or information in compliance with the requirements of Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and any subsequent amendments thereto (the "Regulation") in order to firstly disclose to stock exchange of all events, as specified in Part A of Schedule III of the Regulation.

*This Policy will be applicable with effect from December 1, 2015.*

### 2. DISCLOSURE OF EVENTS OR INFORMATION

1. The Company shall make disclosures of events / information as and when occurred without any application of the policy / guidelines for materiality as specified in sub-regulation (4) of regulation 30.

The events are specified in Para A of Part A of Schedule III, which are as under:

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 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.
2. 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.
3. Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
  - a) 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;
  - b) any cancellation of dividend with reasons thereof;
  - c) the decision on buyback of securities;
  - d) the decision with respect to fund raising proposed to be undertaken





- e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
  - f) 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;
  - g) short particulars of any other alterations of capital, including calls;
  - h) financial results;
  - i) decision on voluntary delisting by the listed entity from stock exchange(s).
5. 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.
  6. Fraud/defaults by promoter or key managerial personnel or by 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 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 of the listed entity.
  14. Amendments to memorandum and articles of association of listed entity, in brief.
  15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;
2. The Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

The events are specified in Para B of Part A of Schedule III, which are as under:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
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 73 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 listed 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) with impact.
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.

### **3. AUTHORITY TO KEY MANAGERIAL PERSONNEL(S)**

The Board of Directors of the Company authorizes, severally and jointly, the Managing Director & CEO, Director-Finance & CFO and the Company Secretary & Compliance Officer (Authorised Key Managerial Personnel "KMP") for the purpose of determining the materiality of any event or information and to make appropriate timely disclosure(s). On uncertainty of the materiality of any event or information, the Authorised KMP may seek appropriate counsel or guidance from internal or external sources, as and when required.

### **4. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION**

The Company shall consider the following criteria for determination of materiality of events or information:

1. the omission of an event or information which is likely to result in a discontinuity or alteration of event or information already available publicly
2. 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.
3. in the opinion of the Board of Directors the event or information is considered material.

### **5. DISCLOSURE PROCESS**

1. The Authorized KMP shall review and ascertain the materiality of the event or information.
2. After evaluation of the same, any one of the Authorized KMP shall make the disclosure to the Stock Exchange(s) within time frame as stipulated in the Regulation.
3. In case of any delay in disclosure, the explanation/reason of the same shall also be communicated along with disclosure.
4. All disclosures shall also be hosted on the website of the Company for a minimum period of five years.





## 6. COMMUNICATION

This Policy shall be communicated to all the directors, officers and staff and other concerned person of the Company and shall also be placed on the website of the Company.

## 7. CONTACT DETAILS

The details of KMPs who have been authorized by the Board of Directors for the purpose of determining the materiality of events or information are as under:

Name of the KMP	Contact Numbers	Contact Address
Shri Shishir Jaipuria Managing Director & CEO	+91-120-4058400	<b>Corporate Office:</b> Ginni Filaments Limited. H-6, Sector – 63, NOIDA – 201 307 (U.P.)
Shri Suresh Singhvi Director - Finance & CFO		
Shri Bharat Singh* Company Secretary & Compliance Officer		

## 8. AMENDMENT

Any subsequent amendment/modification in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and /or other applicable laws in this regard shall automatically apply to this Policy.

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The above Policy for Determination of Materiality was adopted by the Board of Directors in their meeting held on November 10, 2015.

\* Shri Bharat Singh has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 21<sup>st</sup> February, 2017.

