



**KIRLOSKAR ELECTRIC COMPANY LIMITED**

**POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS**

## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS**

*[Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

The Board of Directors (“the Board”) of the Company has amended policy for determination of materiality of events (“this Policy”)

### **1. Purpose & Scope of the policy:**

This policy is framed as per the requirement of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as “SEBI LODR”) intended to circulate and disseminate such information which in the view of the management is material for the purpose of promoting greater transparency.

### **2. Identification of materiality of information:**

1. Events specified in Para A of ‘Part A’ of Schedule III of SEBI LODR are considered to be “deemed material event”.
2. The following criteria shall be considered for determining the materiality of events / information as specified in Para B of Part A of Schedule III of SEBI LODR:-
  - 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; or
  - 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) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
    - (ii) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
    - (iii) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;
  - 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, the event / information is considered material.

### **3. Persons authorized to determine materiality:**

In terms of the provisions of regulation 30(5) of the SEBI LODR, the Board has authorized the Executive Chairman of the Company for purpose of determining the materiality of an event/information and for making disclosure of such event/information to the Stock Exchanges.

### **4. Disclosure framework**

a. The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation 30 of SEBI LODR as soon as reasonably possible and in any case not later than the following:

- (i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;
- (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- (iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III of SEBI LODR as amended from time to time shall be made within such timelines.

- b. With respect to disclosures referred to above, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- c. Disclose on its website all such events or information which has been disclosed to stock exchange(s) under this Regulation, and such disclosures shall be hosted on the website of the Company for a minimum period of five years.
- d. Disclose all events or information with respect to Subsidiaries which are material for the company.

## **5. Amendments to the Policy**

This Policy shall be subject to review as may be deemed necessary by the Board in accordance with regulatory amendments.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

### **Contact details of Executive Chairman**

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