

Pitti Engineering Limited

[Formerly Pitti Laminations Limited]



Policy for Determining the Materiality of an Event

PREFACE

The Board of Directors (the “Board”) of Pitti Laminations Limited (the “Company”) has adopted the following policy (the “Policy”) and procedures with regard to determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”). This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

PURPOSE OF THE POLICY

The purpose of this Policy is to determine materiality of events and information based on criteria specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make disclosure of events / information specified in Para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

Definitions

“**Audit Committee**” means Audit Committee constituted by the Board of Directors of the Company, from time to time, under the provisions of the Listing Regulations and the Companies Act, 2013.

“**Board of Directors or Board**” means the Board of Directors of Pitti Laminations Limited, as constituted from time to time.

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“**Company**” means Pitti Laminations Limited.

“**Independent Director**” means a Director of the Company, not being a Whole-time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV to the Companies Act, 2013 and the Listing Regulations.

“**Policy**” means Policy on Disclosure of Material Events.

“**Material Events**” are those that are specified in Para A of Part A of Schedule III to the Listing Regulations.

“**Other Events**” are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III to the Listing Regulations.

“**Listing Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**Key Managerial Personnel**” (KMP) of the Company is Shri Satyabrata Padhi, Company Secretary, who may be authorized to disclose events to Stock Exchange(s).

Disclosure of events or information not later than 24 hours from the occurrence of such events or information:

- A. The following events / information specified in Para A of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality:**

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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 Company 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 Company 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)

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4. Outcome of Meetings of the board of directors: The Company 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 Company from stock exchange(s).

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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 Company, 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 Company 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 Company
13. Proceedings of Annual and extraordinary general meetings of the Company.

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14. Amendments to memorandum and articles of association of Company, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;

Note: If the Management is not in a position to disclose to the Stock Exchange(s) within 24 hours of the occurrence of the event or information, then it shall inform the Stock Exchange(s) as soon as it is possible with an explanation as to reason for delay in disclosing the said event or information.

B. The following events / information specified in Para B of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges after following the guidelines as given in para 5 of this Policy regarding materiality:

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.

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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 Company 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 Company.
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud / defaults, etc. by Directors (other than key managerial personnel) or employees of Company.
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.

C. Any other information / event viz., major development that is likely to affect business like-

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- Emergence of new technologies
- Expiry of patents
- Any change of accounting policy that may have a significant impact on the account, etc. and brief details thereof.
- Any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

D. In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B or C above, but which may have material effect on it, the Company shall make adequate disclosures of such event / information as specified by the Board from time to time.

The Management shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Members of the Stock Exchange(s).

CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION:

- i. The omission of an event or information which is likely to result in discontinuity or alteration of event or information already available publicly;
or

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- ii. 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.
- iii. In case where the criteria specified in (i) and (ii) 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.

AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION:

The KMP i.e. Company Secretary is authorized by the Board of Directors of the Company to determine the materiality of an event or information and to make disclosures to Stock Exchange(s) under the Listing Regulations, subject to such information being placed prior to or at the immediate Board Meeting held after the said information being made public. The Chief Financial Officer and the Managing Director are jointly responsible to inform the Company Secretary in advance about the events or information as specified in para A and para B of Part A of Schedule III to the Listing Regulation and events or information which are likely to have material effect on the business of the Company for initiating the process to disclose it to the stock exchange as per the policy.

WEBSITE UPDATION / UPDATES TO STOCK EXCHANGE(S):

The Company shall disclose on its website all such events or information which has been disclosed to Stock Exchange(s) under the Listing Regulations and such disclosures shall be hosted on the website of the Company for a minimum period of 5 (five) years and thereafter archived as per the Policy for Preservation of Documents (including Archival Policy) of the Company.

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The Compliance Officer of the Company, with respect to the disclosure of any material event / information already made to the Stock Exchange(s), shall make disclosures updating material developments on a regular basis till such time the event is resolved / closed, with relevant explanations to the Board of Directors and to the Stock Exchange(s). Such updates shall also be hosted on the website of the Company.

The Compliance Officer shall provide specific and adequate reply to all the queries raised by the Stock Exchange(s) with respect to any event or information.

AUTHORIZATION TO KMPs TO SUO MOTO ACCEPT / DENY REPORTED EVENT OR INFORMATION

The KMP(s) is hereby authorized to suo moto accept / deny any report event or information, which has been unauthorized made public by media or by any other means including but not limited to electronic means. They are further authorized to respond to the rumours amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company. Such action taken by the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.

COMPLIANCE OFFICER

The Compliance Officer for the purpose of complying with the provisions of the Listing Regulations shall be the Company Secretary of the Company.

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POLICY REVIEW

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.

Board's Approval

This policy was approved by the Board of Directors at their meeting held on 12th February, 2016.