

GUJARAT BOROSIL LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

INTRODUCTION

The Board of Directors of Gujarat Borosil Limited (GBL) has approved & adopted the following revised policy in its meeting held on March 31, 2016 with regards to determination of materiality of events or information, pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

TITLE

This policy shall be called 'Policy with regards to determination of materiality of events or information'.

POLICY

The Listing Regulations divide the events that need to be disclosed broadly in two categories. The events that have to be necessarily disclosed without applying any test of materiality are indicated in Para A of Part A of Schedule III of the Listing Regulation. Para B of Part A of Schedule III indicates the events that should be disclosed by the listed entity, if considered material.

As per Regulation 30(2) & Schedule III:

Events specified in Para A of Part A of Schedule III are deemed to be material events and the Company shall make disclosure of such events.

As per Regulation 30(3) & Schedule III:

The Company shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality, as specified in below sub-regulation

(i) The Company shall consider the following criteria for determination of materiality of events/information:

(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 Company, the event / information is considered material.

The Board of Directors shall appoint one or more Key Managerial Personnel (KMP) for the purpose of determining materiality of an event or information, in case of any event not falling within the criteria mentioned above as set by the Board.

However, mere discussion on any transactions or signing of Non-Disclosure Agreement (NDA) or any understanding for carrying out due diligence for any transactions shall not be treated as material events or information.

In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

AUTHORISATION:

Mr. Rajesh Chaudhary, Whole Time Director and/ or Mr. Sunil Roongta, CFO and/ or Mr. Kishor Talreja, Company Secretary of the Company, Key Managerial Personnel (KMP) be authorised to make disclosures to BSE Limited under this regulation.

Contact details:

Mr. Rajesh Chaudhary – email id: rajeshc@borosil.com – Ph: 022 – 67406376

Mr. Sunil Roongta – email id: sunil.roongta@borosil.com – Ph: 02645-258150

Mr. Kishor Talreja – email id: kishor.talreja@borosil.com – Ph: 022 - 67406502

The above contact details of such KMP's shall also be disclosed to the BSE Limited as well as displayed on the website of the Company. The Board of Directors can change KMPs from time to time.

DISCLOSURE:

The Disclosures of events or information shall be made in the manner as specified in Schedule III – Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MARKET RUMOURS

Except as otherwise provided in the Policy, as a matter of best practice, the Company shall refrain from commenting on any Market Rumors and speculations. However, at times the Stock Exchanges might require clarifications on the market rumours which will be dealt with by Company accordingly.

AMENDMENTS

The Board may, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new policy.

SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Regulation / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Regulation / Companies Act, 2013 or statutory enactments, rules shall prevail over this policy.

DISSEMINATION OF POLICY

This policy shall be hosted on the website of the Company ie www.gujaratborosil.com

SCHEDULE III

PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES [See Regulation 30]

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

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;

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

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

- 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.

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.

D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.