

TRIVENI TURBINE LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

(Effective from December 1, 2015)

POLICY FOR DETERMINATION OF MATERIALITY OF EVENT / INFORMATION

1. Preface

The Board of Directors of Triveni Turbine Limited ('the Company') has adopted the following 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 ('Listing Regulations'). The policy shall be effective from December 1, 2015.

2. Purpose

The purpose of this policy is to determine materiality of events and information 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.

3. Criteria for determination of materiality of events / information

- (i) Events/Information specified in Para A of Part A of Schedule III to the Listing Regulations are deemed to be material, without applying any test of materiality. A list of such events/information is attached as **Annexure-I**.
- (ii) Events/Information specified in Para B of Part A of Schedule III to the Listing Regulations shall be considered as material, based on application of the guidelines for materiality, as specified below:

Quantitative Criteria would mean event/information where the value involved or the impact:

- (a) exceeds 10% of the gross turnover, or
- (b) exceeds 20% of the net worth,

whichever is lower, calculated on the basis of audited financial statements of the last audited financial year,

Qualitative criteria would mean an event/information where

- (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 (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 the Company, the event/information is considered necessary.

A list of such events/information is attached as **Annexure-II**.

- (iii) 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 other information which is exclusively known to be 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, as stated under Para C of Part A of Schedule III of the Listing Regulations, be disclosed as may be advised by the Board of Directors of the Company from time to time.

4. Disclosure of events/information

The Company shall disclose to the stock exchanges of all events or information, as specified in attached Annexure I or II to the Policy as soon as reasonably possible and not later than twenty four hours from the occurrence of such event or information, based on the criteria for determination of materiality of events/information provided in this Policy.

In case the disclosure is made after twenty four hours of occurrence of the event or information, the Company shall, along with such disclosure provide explanation for delay.

However, disclosure with respect to events specified in Para 1 of Annexure I shall be made within thirty minutes of the conclusion of the Board meeting.

5. Authorisation for disclosures

The committee comprising of Managing Director(s), CEO, CFO and Company Secretary shall decide whether particular event/information is material and shall decide for disclosure of information to Stock Exchanges.

The Company will make prompt uniform and universal disclosure of material events to avoid any selective disclosure. In order to ensure the universal disclosure, the information will be first sent to the stock exchanges where the shares of the Company are listed before the information is released to investor, research analysts, media or any section of public.

The Company Secretary shall in co-ordination with the Committee shall disseminate/disclose the information to the Stock Exchanges where the securities of the Company are listed.

6. Amendments

The Board of Directors may, subject to any applicable laws, amend any provision or substitute any of the provision with the new provision or replace the Policy entirely with a new Policy at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

In the event of any conflict between the provisions of this Policy and the Listing Regulations or any other statutory enactments, rules, etc., the provisions of such Listing Regulations or statutory enactments shall prevail over this Policy.

7. Dissemination of Policy and Events/Information

All such events or information which has been disclosed to the stock exchanges under this policy, to be placed on the website of the Company for a minimum period of five years and thereafter as per the Archival Policy of the Company.

The policy and the contact details of the persons authorized by the Board of Directors shall also be available on the website of the Company.

Annexure I

Events/Information which shall be mandatorily disclosed to the stock exchanges without any application of the guidelines for materiality:

1. 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).
2. 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.
3. 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.
 4. Revision in Rating(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;

Annexure II

Events / information which shall be disclosed to the stock exchanges upon application of the guidelines for materiality specified in the Policy:

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.