

## KILBURN ENGINEERING LIMITED

### **POLICY FOR DISCLOSURE OF EVENT/INFORMATION AND DETERMINATION OF MATERIALITY**

#### **PREAMBLE**

In terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), Kilburn Engineering Limited (the Company) is required to formulate and publish on its website, a policy for determination of the materiality of the events or information of the Company which are required to be adequately disseminated to the Stock Exchanges.

In terms of the aforesaid requirements the Board of Directors of the Company has adopted this Policy known as the "Policy for Disclosure of Events/Information and Determining of Materiality" of the Company which shall be deemed to have come in force from December 1, 2015 or such other date as the Securities and Exchange Board of India (SEBI) may determine in respect of the same.

#### **OBJECTIVES**

The Objective of the Policy is to ascertain the requirement for disclosure of events/information to the Stock Exchanges, to determine the materiality of events or information of the Company based on criteria specified under Regulation 30 (4) (i) of the Listing Regulations and to ensure that such information is adequately disseminated to the Stock Exchanges.

#### **DISCLOSURES OF EVENTS OR INFORMATION**

The following are the events/information, upon occurrence of which the Company is required to make timely disclosures to the Stock Exchanges:

A. Events/Information as specified in para A of Part A of Schedule III to the Listing Regulations, to be disclosed without any application of the guidelines for materiality :

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:* 'Acquisition' shall mean,-

- a. acquiring control, whether directly or indirectly; or,
- b. acquiring or agreeing to acquire shares or voting rights in, a Company whether directly or indirectly, such that –
  - i) the Company holds shares or voting rights aggregating to 5% or more of the shares or voting rights in the said Company, or;
  - ii) there has been a change in holding from the last disclosure made under sub-clause i) of Clause (b) of the Explanation to this sub-para and such change exceeds 2% 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 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).
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.
13. Proceedings of Annual and extraordinary general meetings of the Company.
14. Amendments to Memorandum & Articles of Association of the 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;

B. Events/Information as specified in para B of Part A of Schedule III to the Listing Regulations to be disclosed upon application of the guidelines for materiality as specified below:

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 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 Event/Information viz. Major Development that is likely to affect Business to be disclosed, including but not restricted to the following

1. Emergence of new technologies,
2. Expiry of patents,
3. Changes in accounting policy that may have a significant impact on the accounts etc. and brief details thereof
4. Any other information exclusively known to the Company and 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. Any Event/Information as specified to be disclosed by the Board of Directors of the Company.*

#### **CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION AS ENUMERATED IN PARA B AND C ABOVE**

The Company shall consider the following criteria as specified in Regulation 30(4)(i) of the Listing Regulations for determining the materiality of events/information as specified in Para B and C above:

1. The omission of an event/information likely to result in discontinuity or alteration of event or information already available publicly; or
2. The omission of an event/information likely to result in significant market reaction if the said omission came to light at a later date: or
3. Any other event/information which is considered as material in the opinion of the Board of Directors of the Company.

#### **PROCEDURE FOR DISCLOSURE OF EVENTS OR INFORMATION**

Unless otherwise decided by the Board of Directors, the following Key Managerial Personnel, being the Managing Director, the Chief Financial Officer and the Company Secretary of the Company, are authorized severally and jointly for the purpose of determining the materiality of an event or information in accordance with the criteria as enumerated in this policy and make disclosures to the Stock Exchange.

The Contact details of the Company Secretary (also the Compliance Officer), who shall act as coordinator between the Managing Director, other Directors and the stakeholders shall be disclosed to the Stock Exchange and also be disclosed on the Company's Website.

The Key Managerial Personnel shall observe the following for proper and timely disclosure of any material events or information as defined hereon :

1. On receipt of communication of any potential material event or information the Key Managerial Personnel shall refer to this policy and regulations for the purpose of determining the materiality of the event or information and after verifying its accuracy assess whether the event or information is required to be disclosed to the Stock Exchanges under the Listing Regulations.
2. The Company shall make disclosure to the Stock Exchange(s) of all events, as specified in the policy and Listing Regulations as soon as reasonably possible but not later than twenty four hours from the occurrence of event or information and or on becoming aware of it.
3. In case the disclosure is made after twenty four hours of occurrence of the event or information, the Company, along with such disclosures shall provide explanation for delay.
4. The disclosure with respect to events specified in Point No. 4 to Para A above and as also specified in sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations shall be made within thirty minutes of the conclusion of the board meeting.
5. The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
6. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

7. The Company shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information.
8. The Company may on its own initiative also, confirm or deny any reported event or information to Stock Exchange(s).
9. In case where an event occurs or information is available with the Company, which has not been indicated above, but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.
10. All the disclosures made to the Stock Exchanges under this Policy shall also be disclosed on the Website of the Company for a minimum period of five years and thereafter archived as per the archival policy of the Company, as disclosed on its website.

#### **DISCLOSURE/AMENDMENT**

The Policy shall be disclosed on the Website of the Company and a copy of the Policy shall also be circulated to the Directors, employees, functional heads, head of Departments, Vice Presidents of the Company.

The right to interpret/amend/modify this Policy vests in the Board of Directors of the Company.