



POLICY FOR DETERMINATION OF MATERIALITY THRESHOLD FOR DISCLOSURE OF EVENTS OR INFORMATION

1. GENERAL

Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”) mandates disclosure of any events or information which, in the opinion of the board of directors of the listed company, is material. It further states that events specified in Para A of Part A of Schedule III of Listing Regulations are deemed to be material events and events specified in Para B of Part A of the Schedule III are to be decided as material based on application of the guidelines for materiality, and the listed entity shall promptly make disclosure of such events to the stock exchanges.

Regulation 30 (4) (ii) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 requires that the listed entity shall frame a policy for determination of materiality, based on criteria specified in the said sub-regulation, duly approved by its board of directors, and the same shall be disclosed on its website.

2. OBJECTIVE

The objective of this policy is to determine the “Materiality of the Information of the Company” for the purpose of Disclosure to the Stock exchanges and to provide the Governance Framework on such information.

3. DEFINITIONS

- (a) “Act” means the Companies Act, 2013 (and the Rules) and the Companies Act, 1956 to the extent applicable.
- (b) “Board” or “Board of Directors” means the Board of Directors of the Company.
- (c) “Company” means Uniparts India Limited.
- (d) “Key Managerial Personnel” means key managerial personnel as defined under subsection (51) of section 2 of the Companies Act, 2013.
- (e) “Listing Regulations” means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- (f) “Policy” means this policy, as amended from time to time.
- (g) “SEBI” means the Securities and Exchange Board of India.
- (h) “Rules” means the rules made under the Companies Act, 2013.



- (i) “Stock Exchange(s)” means BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Company will be listed.

4. REPORTING OF EVENT TO STOCK EXCHANGE

The Policy categorizes the events / information to be disclosed to the Stock Exchange(s) into three categories as described below:

- A. The Company shall make disclosure of the outcome of the Board meeting to the Stock Exchange(s), **within 30 minutes** from the closure of the meeting, held to consider the following agenda items:
- (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 of profits 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; and
 - (i) Decision on voluntary delisting by the Company from Stock Exchange(s).
- B. The Company shall make disclosure of events as specified in Para A of Part A of Schedule III of the Regulations (**Annexure A**), which are deemed to be material events, **within 24 hours** of the decision taken at the Board Meeting/ or from the occurrence of the events or information.
- C. The Company shall disclose all material events pertaining to itself or any of its subsidiary (ies), which may have direct or indirect impact on the operations or financials of the Company or which may be otherwise considered as price sensitive information, as specified in Para B of Part A of Schedule III of the Listing Regulations (Refer Annexure-B for events



covered under said Para) subject to application of guidelines for materiality, as given hereunder.

The basic guidelines for determining materiality of any events or information are as under.

Quantitative criteria mean event/ information where the value involved or the impact involved is quantifiable and is equivalent to or more than;

- (a) exceeds ten per cent of the consolidated gross turnover, or
- (b) exceeds ten per cent of the consolidated net worth, or
- (c) exceeds thirty three per cent of the consolidated net profit

The consolidated net profit would be calculated based on the audited financial statements of the last audited financial year.

5. QUALITATIVE CRITERIA WOULD MEAN AN EVENT/ INFORMATION:

- (a) the omission of which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (b) the omission of which is likely to result in significant market reaction if the said omission came to light at a later date; or
- (c) if in the opinion of the Board the event or information is material requiring disclosure.

6. ANY OTHER INFORMATION/EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY.

The Company shall disclose major developments that are likely to affect business, e.g. emergence of new technologies, expiry of patents in practice, 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 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. (Refer Annexure).

7. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION

The occurrence of a material event/information would be either by the Company's own accord or may not be in the hands of the Company. It can be categorized as under:

- (i) depends upon the stage of discussion, negotiation or approval; and



- (ii) in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 8(a), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder's approval.

In respect of the events under 8(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as an officer of the entity has, or ought to have reasonably, come into possession of the information in the course of the performance of his/her duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include the Promoter of the Company.

8. AUTHORIZATION OF KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE

The Board of Directors authorizes the following Key Managerial Personnel of the Company as the "Authorized Persons" for the purpose of determining materiality of an event or information as per the guidelines contained in this Policy and for making disclosure to the stock exchanges.

1. The Chief Financial Officer
2. The Company Officer

The materiality of events outlined above is indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the Authorized Person should exercise his/her own judgement while assessing the materiality of events associated with the Company. In case the relevant Authorized Person has any doubt regarding materiality, he/she may consult the Chairman or Managing Director before disclosing the information to the Stock Exchange(s).

Details of the above KMPs should be intimated to the Stock Exchange(s) and shall be placed on the Company's website.

9. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of



Listing Regulations /Act or statutory enactments or rules shall prevail over this Policy.

10. DISCLOSURE

The above Policy will be posted on the Company's corporate website, and the events and information disclosed to the Stock Exchanges in terms of this Policy will also be kept posted on the website from the date of occurrence of such event / information

11. REVIEW & AMENDMENTS

The Board and/or Audit Committee may, as and when it deems appropriate, review this policy. This policy is being formulated keeping in mind the applicable laws, rules, regulations and standards in India. If there is an amendment in such laws, rules, regulations and standards, then this Policy shall be deemed to have been amended to the extent of such amendment. Conversely, if due to subsequent amendment in the statutory provisions, this Policy or any part hereof becomes inconsistent, such amended statutory provisions shall prevail and this Policy shall be deemed to be amended to that extent.



ANNEXURE A

DISCLOSURE OF EVENTS AS SPECIFIED IN PARA A OF PART A OF SCHEDULE III OF THE REGULATIONS - DEEMED TO BE MATERIAL EVENTS

- 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 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, the 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 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 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. 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), which are binding and not in normal course of business, revision(s) or amendment(s) and termination thereof.
 5. Fraud/defaults by Promoter or Key Managerial Personnel or by the Company or arrest of Key Managerial Personnel or Promoter.
 6. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 7. Appointment or discontinuation of Share Transfer Agent.



8. Corporate Debt Restructuring.
9. One-time settlement with a bank.
10. Winding-up petition filed by any party / creditors.
11. 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.
12. Proceedings of Annual and Extraordinary General Meetings of the Company.
13. Amendments to memorandum and articles of association of the Company, in brief.
14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

ANNEXURE B

DISCLOSURE OF EVENTS AS SPECIFIED IN PARA B OF PART A OF SCHEDULE III OF THE REGULATIONS

- 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 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 Employee Stock Option Scheme / Employee Stock Purchase 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 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. Without prejudice to the generality of Para A, B and C above, the Company may make disclosure of event / information as specified by the Board from time to time.