



Kokuyo Camlin Limited

**Policy for determination
and
disclosure of material events/
information**

Introduction

Securities and Exchange Board of India ("SEBI") with the objective of bringing the basic framework governing the regime of listed entities in line with the Companies Act, 2013 and at the same time compiling with all the mandates of varied regulations/circulars issued by SEBI governing equity all listed securities of the capital market under the ambit of a single document, has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the **Listing Regulations 2015**) on 2nd September, 2015. These Regulations came into effect from 1st December, 2015.

SEBI vide Regulation 30 of the Regulations 2015 mandates all listed entities to frame a policy for determination of materiality of events / information, approved by its board of directors. In compliance with the same, Kokuyo Camlin Limited (hereinafter referred to as "the Company") has framed a policy hereinafter referred to as "Policy for determination and disclosure of material events/ information".

Objective

The objective of the policy is as follows:

1. Disclosure of events and information which in the opinion of Board of Directors, is material.
2. Determine the materiality of an event based on the criteria specified under regulation 30(4) of the Listing Regulations 2015.
3. To decide appropriate time when the above mentioned disclosure shall be made to the stock exchanges in compliance with the Regulation/clarification issued by SEBI from time to time.

Guidelines for determining materiality of event or information

1. Events specified in Para A of Part A of Schedule III are deemed to be material events and Company shall make disclosure on the occurrence of such events (Annexure I).
2. The Company shall make disclosure of events specified in Para B of Part A of Schedule III (Annexure I), if considered material based on the following criteria for determination of materiality of events/ information:

Quantitative Criteria (for serial number 1 to 9) would be based on audited financial statements of the last audited Financial year, and would mean event/information where the value involved or the impact:

- a. Exceeds 10% of the Standalone Gross turnover
- b. Exceeds 25% of the standalone net worth

Whichever is lower.

Qualitative criteria would mean event / 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.
3. 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.
 4. Without prejudice to the generality of para (a), (b) and (c) above, the Company may make disclosures of event/information as specified by the Board from time to time.

Timeframe for disclosing material events/ information

1. The Company shall first disclose to stock exchange(s) all events, as specified in Part A of Schedule III (Annexure I), or information as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information:

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

2. Disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III (Annexure I) shall be made within thirty minutes of the conclusion of the board meeting.

Note: The Company shall, with respect to disclosures referred to in this regulation, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

Disclosure of material events/ information of Subsidiaries

The persons authorized by the Board of Directors shall disclose such event or information about its subsidiary which are considered material for the Company.

Competent Authority for making disclosures

The listing Regulations 2015 requires the board of directors of the listed entity to authorize one or more Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s).

Accordingly, the Board of Directors have authorized the following Key Managerial Personnel's (KMP's) to determine materiality of an event or information and making disclosures to stock exchanges:

Executive Directors

Chief Executive officer

Chief Financial Officer

Company Secretary

Disclosure of policy and material events/ information on the website:

1. The Company's policy hereinafter referred to as "Policy for determination and disclosure of material events/ information" shall be disclosed on the website of the Company i.e. www.kokuyocamlin.com
2. The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of the listed entity for a minimum period of five years and thereafter as per the archival policy of the Company.

Amendments/ Modification to the policy

The policy shall be subject to review and subsequently amended/ modified if deemed necessary to comply with the regulatory amendments or statutory modifications and subject to the necessary approval of the Board of Directors.

EXTRACT OF PART A OF SCHEDULE III TO THE REGULATIONS

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, 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).
 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; and
 - 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 the 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, debentureholders 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.
14. Amendments to memorandum and 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 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. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

10. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company involving financial impact of Rs 5 crore or more
11. Options to purchase securities including any ESOP/ESPS Scheme amounting to 2% of post issue capital.
12. Giving of guarantees or indemnity or becoming a surety for any third party in excess of 20% of net worth.