

LUMAX INDUSTRIES LIMITED

POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND DETERMINATION OF MATERIALITY

1. PREFACE

Pursuant to the provisions of Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015 (the “**Listing Regulations**”), the Board of Directors (the “**Board**”) of Lumax Industries Limited (the “**Company**”) has approved and adopted the following policy and procedures with regard to disclosure of information and determination of Materiality of events or information for the purpose of disclosure of the same to the Stock Exchanges in terms of said Regulation. This policy shall be known as ‘**Policy for Disclosure of Event or Information and Determination of Materiality**’ (“**Policy**”).

2. OBJECTIVE

The purpose of this policy is to ascertain the requirement of disclosure of events or information to stock exchange(s) and defining criteria for determining materiality of events and information specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

This policy is framed as per requirements of the Listing Regulations for timely, adequate and accurate disclosure of information on an ongoing basis by the Company to enable investors to make well-informed investment decisions.

The objective of this Policy is to determine events or information which are material and having a bearing on performance/operation of the Company and/or are price sensitive in nature.

3. DEFINITIONS

“**Act**” shall mean the Companies Act, 2013 and the Rules framed thereunder from time to time, including any statutory modification(s), clarification(s), circular(s) or re-enactment thereof.

“**Board of Directors**” or “**Board**” means the Board of Directors of Lumax Industries Limited, as constituted from time to time.

“**Company**” means Lumax Industries Limited.

“Key Managerial Personnel” means key managerial personnel as defined in sub section (51) of Section 2 of the Companies Act, 2013.

“Listing Regulations” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“Material Event” or **“Material Information”** shall mean such event or information as set out in the Schedule. In the Policy, the words, “material” and “materiality” shall be construed accordingly.

“Policy” means this Policy for disclosure of events or information and determination of materiality as may be amended from time to time.

“Schedule” means a Schedule III of the Listing Regulations.

Any subsequent modification and/or amendments brought about by SEBI in the Listing Regulations shall automatically apply to this Policy.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations or any other applicable law or regulation to the extent applicable to the Company.

4. DISCLOSURE OF EVENTS

The events to be disclosed by the Company are broadly divided in following three categories:

CATEGORY A

Covers the events that need to be necessarily disclosed without applying any test of materiality.

Below are the details which the Company needs to disclose for the events that are deemed to be material:

- 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;

“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 company holds shares or voting rights aggregating to 5% 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 this explanation 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 held to consider or decide the following:
 - 4.1. 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;
 - 4.2. any cancellation of dividend with reasons thereof;
 - 4.3. the decision on buyback of securities;
 - 4.4. the decision with respect to fund raising proposed to be undertaken;
 - 4.5. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
 - 4.6. 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;
 - 4.7. short particulars of any other alterations of capital, including calls;
 - 4.8. financial results;
 - 4.9. 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 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 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;
- 16) The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - d. Public announcement made pursuant to order passed by the Tribunal under section 13

- of Insolvency Code;
- e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - f. Appointment/ Replacement of the Resolution Professional;
 - g. Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - i. Number of resolution plans received by Resolution Professional;
 - j. Filing of resolution plan with the Tribunal;
 - k. Approval of resolution plan by the Tribunal or rejection, if applicable;
 - l. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
 - m. Any other material information not involving commercial secrets.

CATEGORY B

Covers the events that need to be disclosed by the Company, if considered material.

Below are the details which the Company needs to be disclosed for the events on which the Company may apply materiality on the basis of guidelines mentioned in this Policy 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 line(s) of business or closure of operations of any unit/division;
- 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, revision(s) or amendment(s) and 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) Frauds/ defaults by Directors (other than Key Managerial Personnel) or employees of the Company;
- 10) Options to purchase securities including ESOP / ESPS Scheme;
- 11) Giving of guarantees or indemnity or becoming a surety for any third party not in the normal course of business;
- 12) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

CATEGORY C

Covers the information / events with major developments.

The Company shall also disclose other information/ events with major developments likely to affect business of the Company, which shall, inter alia, include:

- 1) Emergence of new technology;
- 2) Expiry of Patents;
- 3) Change in Accounting Policy with significant impact on accounts etc.;
- 4) Any information which may be necessary to enable the investors to appraise their positions and to avoid the establishment of false market in such securities;
- 5) Any market sensitive information or event determined as material by the Key Managerial Personnel or the Board of Directors of the Company.

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, but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.

5. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS:

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

- 1) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- 2) 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;
- 3) 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.

6. GUIDANCE ON WHEN AN EVENT/INFORMATION IS DEEMED TO BE OCCURRED:

The Company shall apply below guidelines on when an event / information is deemed to be occurred:

- 1) The events / information shall 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. the Board and the Shareholders.
- 2) The events / information that may be of price sensitive nature for 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.
- 3) The events / information such as natural calamities, disruption, etc. can be said to have occurred when the Company becomes aware of such events / information.

7. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

The Key Managerial Personnel (KMPs) consisting of the Managing Director, Joint Managing Director, Whole time Directors and Chief Executive Officer are hereby jointly and/or severally authorised to determine whether the event / information is material or not and Whole time directors and Company Secretary are authorised to disclose the information to Stock Exchanges.

8. DISCLOSURES AND TIMELINES:

- 1) The Company shall disclose to stock exchange(s) of all events, as specified in:
 - (i) Clause 4 of this Policy, or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information. However, 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;
 - (ii) Sub-para 4 of Category A of Clause 4 shall be specifically made within thirty minutes of the conclusion of the board meeting along with the time of commencement and conclusion of the meeting.
- 2) The Company shall, with respect to disclosures referred to in this Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- 3) The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.

9. AUTHORISATION TO KMP(S) TO SUO MOTO ACCEPT / DENY REPORTED EVENT OR INFORMATION

The Key Managerial Personnel of the Company jointly and/or severally are authorised to provide adequate reply to all queries raised by stock exchanges with respect to any events / information and may on their own initiative also, confirm or deny any reported event or information to stock exchange(s).

10. AMENDMENT TO THE POLICY:

The Board of Directors shall alter, amend or modify the clauses of this Policy from time to time in line with the requirement of the SEBI Guidelines or any other rules, regulations etc., which may be amended and applicable from time to time.
