

# **HARIG CRANKSHAFTS LIMITED**



## **POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION**

## POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION

---

### 1. INTRODUCTION:

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) requires every Listed Company to formulate and put in place a Policy on Determination of Materiality of Events/ Information (“**Policy**”).

In compliance of the above Regulations, the Board of Directors of Harig Crankshafts Limited (the “**Company**”) have adopted the following policy.

### 2. EFFECTIVE DATE:

This Policy is effective from the date of commencement of trading in Company’s shares at the Bombay Stock Exchange.

### 3. OBJECTIVES OF THE POLICY:

This Policy has been framed with the objective of providing adequate and appropriate disclosures that are consistent with the facts of the material events. The current Policy mechanisms provides for:

- a. the procedure determining the materiality of the events/ information;
- b. the procedure governing the disclosure of the events that are deemed to be material;
- c. the time frame within which such information is to be disclosed.

### 4. DEFINITIONS:

- a. “Company” means Harig Crankshafts Limited.
- b. “Board” means the board of directors of Harig Crankshafts Limited.
- c. “Compliance Officer” means the Company Secretary of the Company.
- d. “Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e. “Policy” means this Policy on Determination of Materiality of Events/ Information.
- f. “Schedule III” means Schedule III of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as ascribed to it under the Companies Act, 2013, Listing Regulations or any other relevant regulations/ legislations applicable to the Company.

## POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION

---

### 5. DISCLOSURE OF MATERIAL EVENTS/ INFORMATION:

- a. Company shall make disclosure of any event or information which is material in nature to the stock exchange.
- b. Events/ Information specified in Para A of Part A of Schedule III of the Listing Regulations will be disclosed without the application of any materiality thresholds, as these are “deemed” to be material events.
- c. Events/ Information specified in Para B of Part A of Schedule III of the Listing Regulations will be disclosed based on application of the materiality criteria, as specified below in Clause 6 of this policy.

### 6. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

Materiality of an Event must be determined on a case to case basis depending on specific facts and circumstances relating to it. Such determination shall be done on both qualitative and quantitative grounds. The primary approach however shall be qualitative. The criteria given hereunder shall be used as a guide and/ or reference for determining materiality and arriving at the overall decision on whether to report the Event. These criteria shall apply to Events specified in Para B of Part A of Schedule III of the SEBI Listing Regulations only.

- (i) **Qualitative criteria:-** The Company shall apply the qualitative criteria for materiality assessment as defined under SEBI Listing Regulations as below:
  - a. The omission of an event or information, which is likely to result in discontinuity or alteration of event/ information already available publicly; or
  - b. The omission of an event or information, which 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) of qualitative approach and all clauses of quantitative approach are not applicable, an event/ information may be treated as being material if in the opinion of the Board and/ or Authorised Person of the Company, the event/ information is considered material.
  - d. It is deemed to be material under applicable laws and regulations.
- (ii) **Quantitative criteria:-** The Company shall apply the following quantitative criteria for materiality assessment. The following will be the materiality criteria:
  - a. An Event specified in Para B of Part A of Schedule III of the Listing Regulations would be considered material if the impact of the Event, if measured in:-
    - Total income terms exceeds 5% of the consolidated income of the Company.

## **POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION**

- b. Only such impact which is direct (not derivative), reasonably perceivable (not remote), quantifiable and having a short term horizon of less than two years shall be considered.
- c. The above threshold shall be determined on the basis of audited consolidated financial statements of the Company's last audited financial year.

### **7. TIMEFRAME FOR DISCLOSURE OF MATERIAL EVENTS/ INFORMATION:**

- a. The Company shall first disclose to stock exchange(s) of all events, as specified in Para A of Part A of Schedule III of the Listing Regulations, as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information.
- b. The disclosure with respect to events specified in Point 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.
- c. The Company shall, with respect to events/ information mentioned in Para A and Para B of Part A of Schedule III of the Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/ closed, with relevant explanations.
- d. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

All the above disclosures will be hosted on the website of the Company for a minimum period of five years and thereafter archived in accordance with the Company's Preservation and Archival Policy.

### **8. AUTHORITY FOR DETERMINING MATERIALITY OF AN EVENT OR AN INFORMATION:**

The authority for determining materiality of an event/ information lies jointly with the decision of the following members:

<b>S. NO</b>	<b>NAME</b>	<b>DESIGNATION</b>
<b>1</b>	Mr. Manoj Agarwal	Chairman and Managing Director
<b>2</b>	Mrs. Pragya Agarwal	Non-Independent Director
<b>2</b>	Mr. Payas Agarwal	Chief Financial Year

Based on the decision of the above-named officials, the Compliance Officer shall be responsible for making disclosure to the Stock Exchange. The contact details of the Compliance Officer shall be made available on the website of the Company.

### **9. AMENDMENTS TO THE POLICY:**

The Board of Directors may review or amend this Policy, in whole or in part, from time to time, as per the requirements of the Act or any other enactments/rules as may be applicable.

## **POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION**

---

This Policy is in addition to and not in derogation of the provisions of the Act. In case of any inconsistency, the provisions of the Act shall prevail.