

JESONS INDUSTRIES LIMITED

DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS AND INFORMATION

1. REGULATORY FRAMEWORK

1.1 This policy (“**Policy**”) of Jesons Industries Limited (“**Company**”) has been prepared and adopted in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

1.2 Regulation 30(1) of Listing Regulations requires the Company to make disclosures to the stock exchanges of any events or information which, in the opinion of the board of directors of the Company, is material.

1.3 Regulation 30(4) of Listing Regulations requires the Company to frame a policy for determination of materiality of events or information for onward disclosure to stock exchanges based on the materiality criteria as specified in the said regulation and reiterated in this policy.

2. OBJECTIVES OF THIS POLICY

2.1 To define the principle and guidelines for determining the materiality of an event or information;

3. DEFINITIONS

“Board of Directors” or “Board” means collectively the Directors of Jesons Industries Limited, holding the position as Directors for the time being.

“Policy” means this policy on determination of materiality of events/information, as amended from time to time.

“Stock Exchanges” means National Stock Exchange of India Limited and BSE Limited.

“Key Managerial Personnel” means Managing Director, Whole Time Director and Chief Financial Officer of Jesons Industries Limited for the time being.

4. DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION

4.1 Materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event / information is material the company shall consider the following criteria:

- (i) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

- (ii) 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;
- (iii) In case where the criteria specified in sub-clauses (i) and (ii) are not applicable, an event/information may be treated as being material if in the opinion of the Managing Director, Whole-time Director and Chief Financial Officer of Company, the event / information is considered to be material based on the criteria for determination of materiality of event or information given under this Policy.

4.2 Where it would be difficult to report the event based on qualitative criteria as stated in points (i) and (ii) above, the same may be considered material for disclosure, upon meeting materiality thresholds as mentioned herein below:

- I. For points (i) to (viii) of the scope, if it exceeds ten percent of the income, profit before tax or net worth, as may be applicable;
- II. For fraud/defaults (point (ix) of the scope), involving financial impact of Rs. 5 crores or more;
- III. For options to purchase of securities, including ESOP/ESPS Scheme, if any, (point (x) of the scope), amounting to two percent of post-issue equity share capital of the Company.

4.3 The above thresholds shall be determined on the basis of last annual audited financial statement of the Company.

5. SCOPE

The Company is required to apply the above-mentioned criteria for determination of materiality of the events/information mentioned below:

- i. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- ii. 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).
- iii. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- iv. 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.
- v. 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.
- vi. Effect(s) arising out of change in the regulatory framework applicable to the Company.
- vii. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- viii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- ix. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.

- x. Options to purchase securities including any ESOP/ESPS Scheme.
- xi. Giving of guarantees or indemnity or becoming a surety for any third party.
- xii. 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 their position and to avoid the establishment of a false market in such securities.
- xiii. Without prejudice to the generality of the above, the Company may make disclosures of event/information as specified by the Board of Directors of the Company, from time to time.

6. DISCLOSURE OF MATERIAL INFORMATION/EVENTS TO THE STOCK EXCHANGE

- i. The Company shall make disclosures of all events or information as specified in Regulation 30(2) read with Part A –Para A of Schedule III to the Listing Regulations, without application of the guidelines for materiality, to the stock exchanges as soon as possible and in any case not later than twenty four hours from the occurrence of event or information.
- ii. The Company shall make disclosures of all events or information as specified in Regulation 30(3) read with Part A – Para B of Schedule III to the Listing Regulations, with application of the guidelines for materiality, to the stock exchanges as soon as reasonably possible and in any case not later than twenty four hours from the occurrence of event or information.
- iii. The Company shall make disclosures of 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.
- iv. The disclosures under sub-clause (i) and (ii) above shall be made to the Stock Exchange within the timeline prescribed under the Listing Regulations by the Company Secretary or in his absence by the Company Secretary and/or Chief Financial Officer or in his absence Whole Time Director or in his absence by the Managing Director of the Company.
- v. With respect to disclosures made under sub-clause (i) and (ii) above, the Company shall continue to make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- vi. The Company shall disclose on its website all such events or information, which have been disclosed to Stock Exchange as above 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.

- vii. The Company shall also disclose all events or information with respect to its Subsidiary Company or Associate Company which are material to the Company.
- viii. The time of occurrence of an event/information shall be determined in accordance in accordance with the guidance provided in the SEBI circular dated September 9, 2015 i.e., CIR/CFD/CMD/4/2015, as would be amended from time to time.

7. AMENDMENT

7.1 Any amendment in this Policy may be carried out with the approval of the Board of Directors of the Company.

In case any amendment(s), clarification(s), circular(s) and guideline(s) issued by Securities and Exchange Board of India/Stock Exchanges, that is not consistent with the requirements specified under this Policy, then the provisions of such amendment(s), clarification(s), circular(s) and the guideline(s) shall prevail upon the requirements hereunder and this Policy shall stand amended accordingly effective from the date as laid down under such amendment(s), clarification(s), circular(s) and guideline(s). Such amendments shall be brought to the attention of the Board of Directors.
