



Creative Castings Limited

## POLICY FOR DETERMINATION OF MATERIALITY OF INFORMATION OR EVENTS

*(Approved by Board of Directors at their meeting held on 30<sup>th</sup> January, 2016 and effective from 1<sup>st</sup> April, 2016)*

### 1. PRELUDE:

The Board of Directors (the '**Board**') of Creative Castings Limited ('**the Company**'), at its meeting held on 30<sup>th</sup> January, 2016, has approved the Policy for determination of Materiality of information/ event for Disclosures in compliance with the provisions of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**LODR**') as prescribed by Securities & Exchange Board of India ('**SEBI**') *vide* its circular no. SEBI/LAD-NRO/GN/2015-16/013 dated 2 September 2015 read together with circular no. CIR/CFD/CMD/4/2015 dated 9 September 2015.

The Policy will be applicable to the Company with effect from 1<sup>st</sup> April, 2016.

This policy may be modified/amended/alterd by the Board of Directors of the Company from time to time except in case of any statutory modification/amendment/alteration of the provisions of LODR by SEBI or any other statutory authority, which shall be deemed to be implemented in the Policy immediately on such notification for modification/ amendment/ alteration etc. coming into effect. In case there are any provisions/requirements in this Policy which are inconsistent with the provisions/requirements carried by LODR (as applicable from time to time), then the provisions/requirements of LODR shall prevail over those carried by this Policy.

The provisions of LODR mandate that every listed entity shall make disclosures of any information or event which, in the opinion of the Board of Directors of the listed entity is material. LODR divides such information/ events that need to be disclosed broadly into the following categories –

- Information/ events that should be disclosed by the listed entity, if considered material i.e. upon the applicability of the test of materiality and as indicated by SEBI in LODR.
- Information/ events that have to be disclosed if the Information/ events viz. major development etc. which is likely to affect business.

The purpose of this Policy is to determine the materiality of any information or event or to identify such information or event which may not be material but



## Creative Castings Limited

sensitive enough requiring its disclosure to the Stock Exchanges in terms of the requirements of Regulation 30 read with Schedule III of LODR.

Securities and Exchange Board of India, has *vide* its Notification dated 2nd September, 2015, introduced the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st December, 2015, whereby, every issuer or the issuing Company which has previously entered into agreement(s) with a recognised stock exchange to list its securities, shall execute a fresh listing agreement with such stock exchange within six months of the date of notification of these Regulations.

Regulation 30(4)(ii) of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires the Company to frame a policy for determination of materiality, based on criteria specified in this sub-regulation, and duly approved by its Board of Directors.

Further, Securities and Exchange Board of India has *vide* its Circular No. CIR/CFD/CMD/4/2015, dated 9th September, 2015, indicated the details that need to be provided while disclosing events.

The Company endeavors to attain high level of transparency, accountability and equity with the ultimate objective of providing maximum customer satisfaction & increasing long term shareholders value keeping in view the needs and interest of all stakeholders. To achieve these objectives, the Company hereby notifies this Policy for Determination of Materiality of Information or Events.

## 2. DEFINITIONS:

- i.** “**Act**” means the Securities and Exchange Board of India Act, 1992, including any statutory modifications or re-enactment thereof.
- ii.** “**Board**” means the Board of Directors of Creative Castings Limited
- iii.** “**Company**” means Creative Castings Limited
- iv.** “**Chief Executive Officer**” or “**Managing Director**” or “**Manager**” shall mean the person so appointed/ re- appointed in terms of the Companies Act, 2013.
- v.** “**Compliance Officer**” means the Company Secretary of the Company or the Officer appointed by the Board of Directors of the Company for the purpose of this Policy and the Regulations.



## Creative Castings Limited

- vi.** “**Committee**” shall mean committee of the Board of Directors or any other committee so constituted.
- vii.** “**Financial Year**” shall have the same meaning as assigned to it under sub-section (41) of section 2 of the Companies Act, 2013.
- viii.** “**Key Managerial Personnel**” means Key Managerial Personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.
- ix.** “**Listed entity**” means an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognised stock exchange(s);
- x.** “**Officer**” shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.
- xi.** “**Policy**” means this Policy, as amended from time to time.
- xii.** “**Promoter**” and “**promoter group**” shall have the same meaning as assigned to them respectively in clauses (za) and (zb) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- xiii.** “**Public**” means public as defined under clause (d) of rule 2 of the Securities Contracts (Regulation) Rules, 1957.
- xiv.** “**Public shareholding**” means Public shareholding as defined under clause (e) of rule 2 of the Securities Contracts (Regulation) Rules, 1957.
- xv.** “**Quarter**” means the period of three months commencing on the first day of April, July, October or January of a financial year.
- xvi.** “**Quarterly Results**” means the financial results prepared in accordance with these regulations in respect of a quarter.
- xvii.** “**Regulation**” means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modifications or re-enactment thereof.



## Creative Castings Limited

- xviii.** "Schedule" means a schedule annexed to the Regulation.
- xix.** "SEBI" means the Securities and Exchange Board of India.
- xx.** "Stock Exchange" means a recognised Stock Exchange as defined under clause (f) of section 2 of Securities Contracts (Regulation) Act, 1956.

All other words and expressions used and not defined in this Policy or the Regulation, but defined in the Act or the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and / or the rules and regulations made thereunder, shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

### 3. CRITERIA FOR DETERMINING MATERIALITY:

For the purpose of this Policy, any of the following individual information or event shall be considered significant to the operations and performance of the Company and be deemed to be material and hence need disclosure to Stock Exchanges as per details given below.

- 3.1 Information/ events as specified in [Annexure - 1](#) are deemed to be material Information/ events and shall be disclosed to Stock Exchanges without application of materiality.
- 3.2 Information/ events as specified in [Annexure - 2](#), which shall be disclosed to the Stock exchanges upon application of guidelines for materiality as follows:

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

#### 4.1 Event/information based on Qualitative Impact –

- 4.1.i the omission of an information or event, which is likely to result in discontinuity or alteration of information or event already available publicly; or
- 4.1.ii the omission of an information or event is likely to result in significant market reaction if the said omission came to light at a later date; or



## Creative Castings Limited

4.1.iii any other 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.

### 4.2 **Event/information based on Quantitative Criteria –**

Any event/information that has a financial impact or is likely to have a financial impact of 10% or more on the consolidated turnover of the Company, in the immediately preceding financial year.

The quantitative criteria shall be read in conjunction with the qualitative criteria for determining materiality and arriving at the overall decision on the event to be reported.

Without prejudice to the generality of the foregoing, the Company may make disclosures of any event/information as specified by SEBI from time to time. In case any event/information is available with the Company, which has not been indicated above but which may have material effect on the Company then the Company is required to make adequate disclosure to the Stock Exchanges in this regard.

## 5. **DISCLOSURE:**

The Company shall also disclose the following events / information to the Stock Exchanges –

- 5.1 Event/information 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.
- 5.2 Any event/information as may be specified by SEBI from time to time.

## 6. **TIMING FOR DISCLOSURE:**

- 6.1 Event/information with respect to outcome of meetings of the Board of Directors shall be disclosed within 30 minutes of the conclusion of Board Meeting.



## Creative Castings Limited

6.2 All other events that are required to be disclosed as per this Policy and LODR shall be disclosed as soon as reasonably possible as and not later than twenty four hours from the occurrence of the information or event.

### 7. AUTHORISATION:

The Key Managerial Personnel (KMP) shall be authorised by the Board of Directors of the Company for the following purpose:

- 7.1 of determining materiality of an information or event that qualifies for disclosure under Regulation 30 of LODR and this Policy and;
- 7.2 of making disclosures to the Stock Exchange(s) of any material event or Information.

#### Contact details of KMP:

**Mr. Ashok L. Shekhat**, *Chief Financial Officer*  
Email: [info@creative-cast.com](mailto:info@creative-cast.com)  
Ph.: +91-285-2660040 / 2660224 / 2660254  
Fax: +91-285-2661348

### 8. UPLOADING:

The Company shall disclose on its website all such information or events which has been disclosed to Stock Exchange(s) under this Policy and such disclosure shall remain hosted on the website of the Company for a minimum period of five years and thereafter the same shall be treated as per the Company's Policy for Preservation of Documents and Archival.

### 9. AMENDMENT:

The Board reserves its right to amend or modify this Policy in whole or in part, at any time, when it deems appropriate, in accordance with any amendment to the applicable provisions of Act, including rules thereof and / or the regulations of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In case of any subsequent changes in the provisions of the Act, or any other regulations, which makes any of the provisions in the Policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

END

#### Enclosures:

- Annexure – 1
- Annexure – 2



**Events or Information and its details which shall be disclosed to the Stock Exchange(s) without any application of guidelines for materiality**

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 listed entity or any other restructuring.

**Explanation-** For the purpose of this sub-para, the word 'acquisition' shall mean-

- 1.1 acquiring control, whether directly or indirectly; or,
- 1.2 acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -
  - 1.2.i the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
  - 1.2.ii 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 listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider 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 shall 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





## Creative Castings Limited

- 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 listed entity 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 listed entity), 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 listed entity 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, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
  13. Proceedings of Annual and extraordinary general meetings of the listed entity.
  14. Amendments to memorandum and articles of association of listed entity, in brief.
  15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;





**Events or Information which shall be disclosed subject to the application of the guidelines for materiality:**

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 listed entity 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 listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS 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.

❧ END ❧