



DYNAMATIC TECHNOLOGIES LIMITED

**POLICY ON DETERMINATION OF MATERIALITY
OF EVENTS OR INFORMATION**

**PURSUANT TO REGULATION 30 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING
OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015**

I. Legal Framework

The Securities and Exchange Board of India (“SEBI”), vide its Notification dated September 2, 2015, has issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). The Listing Regulations are effective from December 1, 2015. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 specifies that every listed entity shall have a policy for determination of materiality of events or information.

II. Objective

SEBI (LODR) Regulations, 2015 requires every listed entity to disclose events or information which, in the opinion of the Board of Directors of a Company are material.

In this context, the following policy has been framed by the Company with the objective of determination of materiality of events or information.

III. Definitions

In this policy unless the context otherwise requires,-

- A. **“Act”** means the Companies Act, 2013 and rules made thereunder, as amended from time to time.
- B. **“Board”** or **“Board of Directors”** shall mean the Board of Directors of Dynamatic Technologies Limited, as may be re-constituted from time to time.
- C. **“Company”** means Dynamatic Technologies Limited.
- D. **“Financial Year”** shall have the same meaning ascribed to it under the Act.
- E. **“Public Disclosure”** means disclosure made to stock exchange or other authorities in compliance with Listing Regulations for the purpose of dissemination.

The words or expressions used but not defined herein, but defined under Companies Act, 2013 or the SEBI Regulations shall have the same meaning assigned therein.

IV. Persons Responsible for Disclosure

The Board of Directors of the Company have jointly authorised the Chief Executive Officer, Chief Financial Officer & the Company Secretary (hereinafter referred as Key Managerial Personnel or KMP) of the Company to determine the materiality of an event or information and authorised the Company Secretary to make appropriate disclosures on a timely basis. The KMPs are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The Board of Directors and KMPs shall have the following powers and responsibilities jointly for determining the material events or information:

- A. To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- B. To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information
- C. To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations
- D. To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- E. To disclose all events or information with respect to the subsidiaries which are material for the Company

V. Criteria For determining Materiality of Events or Information

The following criteria are to be considered for determining materiality of events or 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;
- 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; and
- C. any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

VI. Type of events that needs to be disclosed

- A. Events specified in **Annexure A** are deemed to be material events and Company shall make disclosure of such events.
- B. Events specified in **Annexure B** shall require disclosure based on application of guidelines for materiality
- C. Events specified in **Annexure C** shall require disclosure if the event or information viz major development that is likely to affect business

VII. Statutory Framework

1. This policy is framed in terms of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rules, regulations or standard will take precedence over this Policy and procedures until such time this policy is changed to conform to the law, rule, regulation or standard.

VIII. Review

The Policy is subject to review by the Board or any other Committees of the Board as may be authorised from time to time.

IX. Contact Details

Any questions or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary, who is in charge of administering, enforcing and updating this policy.

Naveen Chandra P.
Head – Legal, Compliance & Company Secretary
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Annexure A

Events which shall be disclosed without any application of the 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:

- 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 entity 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 listed entity 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;
 - I. 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.

Annexure - B

Events which shall be disclosed upon application of the guidelines of 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.

Annexure - C

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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

Without prejudice to the generality of **Annexure A, B and C**, the Company may make disclosures of event/information as specified by the Board from time to time.