

***POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS.***

The Board of Directors of Unitec Fibres Limited (hereinafter referred to “**Company**”) have adopted a Policy for determination of materiality of events (hereinafter referred to as “**Policy**”). The Policy aims for disclosure of important and material events of the Company to the Stock Exchange where the equity shares are listed, to stakeholders in compliance with the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “**Regulations**”).

The Policy endeavours to promote transparency and to ensure that the stakeholder is informed regarding the major and material events of the Company. The Company, in addition to the disclosure of events specified under Para A of Part A of Schedule III of the Regulations, shall also make disclosure of events or information specified under Para B of Part A of Schedule III, which, in the opinion of the Board of Directors of the Company, is material in nature.

**OBJECTIVES OF THE POLICY**

The objectives of this Policy are as follows:

- a) To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various securities laws and any other legislations.
- b) To ensure that the information disclosed by the Company is timely and transparent.
- c) To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d) To protect the confidentiality of material/ price sensitive information within the context of the Company’s disclosure obligations.
- e) To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f) To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.

**CRITERIA FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION RELATING TO THE COMPANY**

**A. Qualitative Criteria**

The Board of Directors shall consider the following criteria for determining the materiality of events/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; or
- 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;
- c) 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 the Company, the event/information is considered material.

**B. Quantitative Criteria**

**Where the value of contract / order / the impact of the event exceeds** the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- (1) two percent of turnover, as per the last audited consolidated financial statements;
- (2) two percent of net worth, as per the last audited consolidated financial statements except in case the arithmetic value of the net worth is negative;
- (3) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements

The above threshold should be determined on the basis of audited consolidated financial statements of the previous financial year.

- C. In case where the criteria specified in sub-clauses A and B is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

**FOLLOWING EVENTS MAY BE CONSIDERED MATERIAL BY THE BOARD OF DIRECTORS ON THE BASIS CRITERIA SPECIFIED ABOVE**

The Company shall intimate the following events /information upon occurrences in consideration with the criteria for determining materiality of events:

- 1) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/divisions.
- 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 a unit/division (entirely or piecemeal)
- 3) Capacity addition or product launch
- 4) Awarding, bagging/receiving, amendment or termination awarded /bagged orders/contracts not in normal course
- 5) Agreements (viz; loan agreement(s) (as a borrower) or any other agreement(s) 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.
- 13) Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

The Board of the Directors of the Company may consider any other event/information that is likely to affect the business of the Company and is a major development in the organisation and provide brief details to the Exchange and further it may also disclose any other information which is exclusively known to the Company which may enable the stakeholders to appraise its position and to avoid establishment of a false market.

The Board of Directors of the Company has authorised Mr. Vijay Behl, Chairman and Whole-Time Director and Mr Mihir Survarnam, Chief Financial Officer, for the purpose of determining materiality of an event or information in consultation with the Board wherever required, and for the purpose of making disclosures to stock exchange(s).

This Policy may be amended any time as agreed by the Board of Directors of the Company in order to be in compliance with the Regulation.

This Policy shall be subject to review/changes as may be deemed necessary and in accordance with regulatory amendments from time to time.