



United Heat Transfer Limited

**POLICY FOR DETERMINATION OF MATERIALITY OF
EVENT / INFORMATION**

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1. Preamble

This Policy for Determination of Materiality of Events or Information is aimed at providing guidelines to the management of **United Heat Transfer Limited ("The Company")**, to determine the materiality of events or information, which could affect investment decisions and ensure timely and adequate dissemination of information to the Stock Exchange(s) (as hereinafter defined).

This Policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India ('SEBI') under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**'), as amended from time to time, with respect to determination of materiality of events and information and disclosure thereof.

This policy will be applicable to the Company with effect from the date of approval of Board of Directors.

2. Objective

The objective of this Policy is to serve as a guiding charter to the management to ensure that timely and adequate disclosure of events or information are made to the investors by the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to enable them to take well informed investment decisions with regard to the listed securities of the Company.

3. Scope and Limitation

In the event of any conflict between the provisions of this Policy and Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

4. Introduction

- (a) "**Act**" means the Companies Act, 2013 (and the Rules) and the Companies Act, 1956 to the extent applicable.
- (b) "**Board of Directors**" means the Board of Directors of the Company.
- (c) "**Company**" means **United Heat Transfer Limited**.

- (d) **“Key Managerial Personnel”** means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- (e) **“Listing Regulations”** means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- (f) **“Policy”** means this Policy for Determination of Materiality of Events or Information, as amended from time to time.
- (g) **“SEBI”** means the Securities and Exchange Board of India.
- (h) **“Rules”** means the rules made under the Companies Act, 2013.
- (i) **“Stock Exchange(s)”** means BSE Limited where the equity shares of the Company are listed.
- (j) **“Material Events”** are those that are specified in Para A of Part A of Schedule III of the LODR.
- (k) **“Other Events”** are those as may be decided by the Board from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation (4) of LODR.

5. Disclosure of events or information

1. The events or information specified in Para A of Part A of Schedule III of the Listing Regulations will be disclosed within the timeline indicated below, without the application of any materiality thresholds, as these are “deemed” to be material events.

The following are the events/ information which would be deemed material without application of criteria for materiality mentioned in Clause (C) hereinafter:

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 redemption of securities etc.;

3. Revision in rating(s);
4. Outcome of Board Meetings of the Company within 30 minutes of the closure of the meeting, held to consider the following :
 - a. declaration of 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, 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; and
 - i. decision on voluntary delisting by the Corporation from stock exchange(s).
5. Agreements [viz. shareholder agreement(s), joint venture agreement(s), (to the extent that it impacts management and control of the Corporation), agreement(s)/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 any promoter or key managerial personnel or by the Corporation or arrest of any key managerial personnel or promoter;
7. Change in directors, key managerial personnel , auditor and compliance officer;
8. Resignation of the auditor along with detailed reasons for resignation of auditor as given by the said auditor;
9. Resignation of independent director including reasons for resignation as given by the said director;

In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

- i. The letter of resignation along with detailed reasons for the resignation as given by the said director
- ii. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
- iii. A confirmation received from the independent director that there is no other material reasons other than those provided.

10. Appointment or discontinuation of share transfer agent;
11. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
 - i. Decision to initiate resolution of loans/borrowings;
 - ii. Signing of Inter-Creditors Agreement (ICA) by lenders;
 - iii. Finalization of Resolution Plan;
 - iv. Implementation of Resolution Plan;
 - v. Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.].
12. One time settlement with a bank;
13. Reference to BIFR and winding-up petition filed by any party / creditors.
14. Issuance of Notices, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the Corporation;
15. Proceedings of Annual and extraordinary general meetings of the Members of the Corporation;
16. Amendments to Memorandum and Articles of Association of Corporation, in brief; and
17.
 - a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.
 - b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.
18. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
 - d. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - f. Appointment/ Replacement of the Resolution Professional;
 - g. Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - i. Number of resolution plans received by Resolution Professional;
 - j. Filing of resolution plan with the Tribunal;
 - k. Approval of resolution plan by the Tribunal or rejection, if applicable;

- l. Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - i. Pre and Post net-worth of the company;
 - ii. Details of assets of the company post CIRP;
 - iii. Details of securities continuing to be imposed on the companies' assets;
 - iv. Other material liabilities imposed on the company;
 - v. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - vi. Details of funds infused in the company, creditors paid-off;
 - vii. Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - viii. Impact on the investor – revised P/E, RONW ratios etc.;
 - ix. Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
 - x. Brief description of business strategy.
 - m. Any other material information not involving commercial secrets.
 - n. Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
 - o. Quarterly disclosure of the status of achieving the MPS;
 - p. The details as to the delisting plans, if any approved in the resolution plan.
19. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures to be made:
- a. The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
 - b. Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.
2. The events or information specified in Para B of Part A of Schedule III of the Listing Regulations shall be disclosed upon application of the guidelines for materiality referred in sub-clause (4) of Regulation (30)/Miscellaneous Events / Decisions not considered Material in view of the Board of Directors, which however, needs to be disclosed to the stock exchanges as soon as possible when the necessary information is ready to be publicised which are:
1. Commencement or postponement of the date of commercial production or operation 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, new line of business or closure of operations of any unit / division.
 3. Capacity addition or new product launch.
 4. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.

5. Agreements for loan or agreement(s) which are binding and not in the normal course of business and revision(s) or amendment(s) or termination(s) thereof .
6. Disruption of operation of any one or more units 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 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 the listed entity.
10. Options to purchase securities including 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. Emergence of new technologies,
 - (i) Expiry of patents.
 - (ii) Change in accounting policy.
 - (iii) Any other information that may be deemed necessary jointly and severally by the

KMPs of the Company who would consider that it is necessary for the holders of the securities of the listed entity to appraise its position and to avoid the establishment of a false market.

14. The Board may in its discretion also authorise the KMPs to disclose such events, information or material that in its wisdom may be necessary for the Members of the exchange to know the information.
 15. The Management shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Members of the Stock Exchanges.
3. In addition to the above, Paras C and D of Part A of Schedule III of the Listing Regulations mandate disclosure of the following:
- a. major developments that are likely to affect business,
 - b. any change in accounting policies that may have a significant impact on the accounts of the Company;
 - c. 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; and
 - d. any other disclosures as may be specified by SEBI from time to time.

6. Guidelines for identification of such event / information, which is material, in the opinion of the Board

1. The events/ information as set out in Para A of Part A of Schedule III to the Listing Regulations, will be disclosed to the relevant stock exchange, as soon as reasonably possible, but not later than 24 hours from the occurrence of such event/ information or time prescribed therein, whichever is earlier. In case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures, provide explanation for the delay.
2. The events/ information as set out in Para B of Part A of Schedule III to the Listing Regulations, will be disclosed to the relevant stock exchange, as soon as reasonably possible, but not later than 24 hours from the occurrence of such event/ information, if the estimated impact of such event/ information exceeds 10% of Total Revenue or 10% of the total net worth, whichever is lower.

Total Revenue/ net worth shall be based on the latest audited consolidated financial statements of the Company for the previous financial year. Provided that in case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures, provide explanation for the delay.

3. In the event the materiality threshold indicated above cannot be applied to a particular event and/or information, the Company shall assess materiality based on the following criteria:
 - a. the omission of disclosure of a particular event or information is likely to result in discontinuity or alteration of event or information already available publicly;
 - b. the omission of disclosure of a particular event or information is likely to result in significant market reaction if the said omission came to light at a later date; or
 - c. In case 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, the event / information is considered material.
4. Any other information/event, viz. major development that is likely to affect business, any change of accounting policy that may have a significant impact on the accounts, 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. Any information/ events with respect to subsidiary of the Company which are material for the Company, shall also be disclosed to the relevant stock exchange.
6. It is clarified that as regard any event / information, only such impact which is direct and perceivable, and not remote, shall be considered.
7. In addition to the above, the Company may make voluntary disclosures of events/information, as may be specified by the Board or by SEBI from time to time.
8. The Company will also be guided by 'Code of Fair Disclosure' framed in terms of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 while disclosing to the Stock Exchange (s).

9. The Company will submit disclosures in accordance with SEBI Circular dated September 9, 2015 that provides the details that need to be provided while disclosing events given in Para A and Para B of Schedule III and the guidance on when an event / information can be said to have occurred..

7. Guideline on occurrence of an event/ Information

The occurrence of material event/information would be either by the Company's own accord or not in the hands of the Company. It can be categorized as under:

- (a) depends upon the stage of discussion, negotiation or approval; and
- (b) in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 7(a), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder's approval.

In respect of the events under 7(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

8. Roles and responsibilities of key managerial personnel for determining materiality of an event or information and making disclosure to stock exchanges

In terms of the Listing Regulations, the Board has authorised the following key managerial personnel of the Company, i.e. the Managing Director & Chief Executive Officer, the Chief Financial Officer and the Company Secretary as the "**Authorised Persons**" for the purposes of determining materiality of an event or information as per the guidelines contained under this Policy and the Listing Regulations, and for the purposes of disclosing such event / information to the relevant stock exchanges.

9. Disaster Preparedness

The company maintains a Business Continuity Plan (BCP) designed to ensure safety of staff as well as members of the general public, safeguard the documents and records pertaining to all material / non-material events and information which would enable to return to normal operations with minimal disruption. Detailed procedures for responding to an incident are part of the BCP.

In the event of major incident, the first priority is the safety of the people, followed by immediate action to rescue or prevent further damage to the records. Depending on the immediate threat, emergency response and recovery actions will take priority over all other Company activities.

The Company has made appropriate provision for the backup of its digital collections. The backup copies are actively maintained to ensure their continued viability. The Company's BCP ensures that the digital collections and technical infrastructure required to manage and access them can be restored in the event of an emergency.

10. Authorisation To KMPs To Suo Moto Accept / Deny Reported Event Or Information

The Key Managerial Personnel (KMPs) consisting of the Managing / Whole-time Director, Chief Financial Officer and the Company Secretary are hereby jointly and severally authorised to suo-moto accept / deny any report event or information, which has been unauthorised made public by media or by any other means including but not limited to electronic means. They are further authorised to respond to the rumours amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company. Such action taken by the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.

11. Compliance Officer

The Compliance Officer for the Purpose of complying with the provisions of LODR shall be the Company Secretary of the Company.

12. Policy Review

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.

13. Board's Approval

This policy was approved by the Board of Directors at its meeting held on the date of approval of Board of Directors.

14. Queries Raised By The Stock Exchange

The Company shall provide specific and adequate reply to all queries raised by stock exchange with respect to any events or information. Provided that the stock exchange shall disseminate information and clarification as soon as reasonably practicable. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange.

15. Disclosure

The Board shall review, and if found required, may amend this Policy from time to time.

The Company shall disclose on its website all such events or information which has been disclosed to the relevant stock exchange under this Policy, 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.

16. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force, and this Policy does not, and shall not, in any manner dilute any of the requirements set out under Regulation 30 read with Schedule III of the LODR Regulations.

17. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.
