

GE POWER INDIA LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION

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1.0 PREAMBLE:

- 1.1 This Policy of GE Power India Limited ("Company") shall be known as "GE Power India Limited: Policy on determination of materiality of Event or Information" (hereinafter referred to as "the Policy").
- 1.2 The Policy has been framed pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as the "Regulations").
- 1.3 The Policy has been approved by the Board of Directors of the Company.
- 1.4 The Policy shall come into force effective 01 December 2015.

2.0 OBJECTIVES OF THE POLICY:

- 2.1 This policy aims to ensure compliance with corporate governance principles by promoting disclosure and transparency. Regulation 30 of the Regulations requires listed entities to provide timely information to the Stock Exchange(s) of all the events which will have bearing on the performance / operations of the Company as well as any price sensitive information. The objective is to ensure fairness and efficiency in the market by applying the following two factors:
 - (a) Timely disclosure of relevant information by listed companies to investors; and
 - (b) Adequacy and accuracy of the information disclosed.
- 2.2 The Company shall make disclosures to Stock Exchange(s) at the time of occurrence of the event/information and where applicable, make periodic disclosures on the associated material developments till such time the event is resolved/closed.

3.0 DEFINITIONS/TERMS USED:

- 3.1 The term 'material' wherever appears in the policy shall mean any event or occurrence or transaction or arrangement which, in the opinion of the Board of Directors/ "Committee for determining materiality of an Event or Information" (hereinafter referred to as "Committee"), is significant to the operations or performance of the Company.
- 3.2 "Price sensitive information" means any information:
 - (a) which relates directly or indirectly to the Company and which if published is likely to materially affect the price of the securities of company.
 - (b) is likely to be used by a reasonable investor as a reasonable part of the basis of his investment decisions and therefore likely to have a significant effect on the price of securities of the Company.
- 3.3 "Compliance Officer" means the Company Secretary of the Company, so appointed.

3.4 "Company" means GE Power India Limited.

3.5 "Stock exchange(s)" means the stock exchange(s) where the securities of the Company are listed.

4.0 CLASSIFICATION OF MATERIAL EVENTS/INFORMATION

4.1 Deemed to be material information

The events specified in Para A of Part A of Schedule III of the Regulations shall be deemed to be material events / information and the disclosure of these events shall be made as soon as reasonably possible to the stock exchanges. These events have to be necessarily disclosed without applying any test of materiality.

4.2 Events/Information on which guidelines for materiality will apply

The events specified in Para B of Part A of Schedule III of the Regulations shall be subject to determination if they are material events / information, on the basis of guidelines for materiality as set out in this Policy.

4.3 The Company may also disclose 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 financial statements, 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 the said securities.

5.0 DETERMINATION OF MATERIALITY

5.1 Materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information/event under para 4.2. In order to determine whether a particular event/information is material in nature, the Company may consider the 'quantitative' and / or 'qualitative' criterion(s) mentioned below.

- a. **Quantitative criteria** : any event / information where the value involved or the impact exceeds 10% of the gross turnover or revenue or total income; or 20% of the net worth, whichever is lower.

The above threshold shall be determined on the basis of latest audited financial statements.

- b. **Qualitative criteria** : any event / information:

- (i) the omission of which is likely to result in a discontinuity or alteration of event or information already available publicly; or
- (ii) the omission of which 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 (i) and (ii) above are not applicable, an event/information may be treated as material if in the opinion of the Board of Directors the event / information is considered material.

Note: In circumstances where 'quantitative' test may not be applicable, 'qualitative' test may be applied to determine materiality.

6.0 AUTHORITY FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION

6.1 The authority for determining materiality of an event or information and making disclosure of the same to the Stock Exchanges lies with the majority of the members of the Committee, which shall comprise of the following members:

- a. Managing Director or in his absence, the Whole Time Director;
- b. Chief Financial Officer;
- c. Company Secretary

7.0 DISCLOSURE OBLIGATIONS

7.1 MANDATORY DISCLOSURES

The Compliance Officer, or in his absence, the Chief Financial Officer shall disclose to the stock exchange(s) all deemed to be material events/information as soon as reasonably possible and not later than twenty four (24) hours from the occurrence of events or information.

Further, with respect to events specified in sub-para 4 of Para A of Part A of Schedule III of the Regulations, the disclosures to the stock exchange(s) shall be made within 30 minutes of the conclusion of the respective Board Meeting in which such event was considered / approved.

7.2 DISCRETIONARY DISCLOSURES

All such events/information which the Committee/Board determines to be material/price sensitive information shall be disclosed by the Compliance officer or in his absence, the Chief Financial Officer to the Stock Exchange(s) as soon as reasonably possible and not later than twenty four (24) hours from the decision of the Committee/Board.

7.3 The Company shall, with respect to disclosures referred to in this policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

8.0 CONTACT DETAILS

The contact details of Committee members shall be made available to the Stock Exchange(s) and is also available on the website of the Company.