



YASH

HIGH VOLTAGE

LIMITED

Company CIN

NO.

U40109GJ2002PLC040833

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS

(Effective from 29-06-2024)

Originally Considered and Approved by the Board of Directors vide resolution dated 29-06-2024

1 SCOPE

In compliance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 issued by the Securities and Exchange Board of India (the “**Listing Regulations**”), this policy for Determination of Materiality of Events And Information (the “**Policy**”) provides a framework for determining materiality of events and information for the purpose of making appropriate disclosure to the Bombay Stock Exchange India Limited and the National Stock Exchange (“**Stock Exchanges**”).

This Policy is applicable to Yash Highvoltage Limited (“**YASH/Company**”) and will guide the Authorised Officer to determine the materiality of an event or information as and when applicable, which will govern the framework of such disclosure.

This Policy shall come into force from the date of listing of equity shares of the Company on the Stock Exchanges.

2 PURPOSE

The purpose of this Policy is to ensure that communications to the Stock Exchanges and to stakeholders:

- a. are made in a timely manner;
- b. are factual and statements of opinion and are not false, misleading or deceptive;
- c. do not omit disclosure of any material information; and
- d. are expressed in a clear manner bringing facts that allow stakeholders to assess the impact of the information, while making investment decisions.

3 MATERIAL EVENTS AND INFORMATION

The material events and information to be disclosed to the Stock Exchanges are broadly divided into the following categories:

- a. The Company shall mandatorily disclose all events/information specified in Para A of Part A of Schedule III of the Listing Regulations (“**Annexure A**”) including any amendment thereto, without applying any criteria or test of materiality as they are deemed to be material event or information.

- b. Events and information as specified in Para B of Part A of Schedule III of the Listing Regulations (“**Annexure B**”) including any amendment thereto, shall be disclosed to the Stock Exchanges if they are material as per the guidelines provided as per paragraph 4 of this Policy.
- c. In respect of events/information stated in Para C of Part A of Schedule III of Listing Regulations viz. major development that is likely to affect the 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 exclusively known to the Company which may be necessary to enable the security holders of the Company to appraise its position and to avoid establishment of a false market in such securities, the Authorised Officer shall determine the materiality of such events/information and shall disclose the same to the Stock Exchange.
- d. Without prejudice to the generality of paragraphs (a), (b) and (c) above, any other event or information as may be specified by the Board of Directors from time to time.

4 CRITERIA FOR DETERMINING MATERIALITY OF EVENTS AND INFORMATION

Materiality has to be determined on a case-to-case basis, depending on specific facts and circumstances relating to the information/event. The Company shall consider the following criteria for determining materiality of information/event as mentioned at paragraph 3(b) above:

- 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. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - i. two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - ii. two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - iii. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;]

In case where the criteria specified in sub-clauses (a), (b) and (c) 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:

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the listed entity within thirty days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.]

- d. A transaction shall be considered material for the purpose of disclosure to the Stock Exchanges where the impact of such transaction is more than 10% of the revenue, Earnings before Interest, Taxes and Depreciation (EBITDA) or capital employed, as applicable. These threshold limits shall be determined on the basis of audited consolidated financial statements of the Company for the preceding financial year.

5 GUIDANCE ON OCCURRENCE OF AN EVENT OR INFORMATION

- a. The timing of occurrence of an event and/or availability of information shall be decided on a case-to-case basis.
- b. In matters which would depend on the stage of discussion, negotiation or approval, the event/information can be said to have occurred upon receipt of approval of the board. For example, events like issue of Rights Shares can be said to have occurred on approval of the Board of Directors. Events like declaration of dividend would be deemed to have occurred when the dividend is approved by the Board of Directors and the shareholders. However, considering the price sensitivity involved in events like declaration of dividends, etc., disclosure shall be made on receipt of approval of the Board of Directors, pending Shareholders' approval.
- c. For events/information like natural calamities, disruptions, etc. which do not involve any discussion or approval, the date of occurrence would be the date when the Company becomes aware of such events/information, or as soon as, the officer of the Company has, or ought to have reasonably come into possession of such information in the course of performance of his duties.
- d. The term 'officer' shall have the same meaning as defined under the Companies Act, 2013 shall also include the promoters of the Company

6 AUTHORISED OFFICER

- a. The Managing Director ("**MD**") and the Chief Executive Officer ("**CEO**") or the Chief Financial Officer ("**CFO**") and the Company Secretary in consultation with MD and CEO (hereinafter severally referred to as "**Authorised Officer**") shall be responsible to determine the materiality of events/information for the purpose of this Policy and disclose the same to the Stock Exchanges.
- b. The details to be provided while disclosing a Material event/information shall be based on the guidance/principle laid down under the SEBI Regulations.
- c. The Authorised Officer shall, with respect to the disclosures made under the Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- d. The Authorised Officer shall also disclose on the website of the Company all such events/information which have been disclosed to Stock Exchanges under the Policy, and such disclosures shall be hosted on the website for a period of five years and thereafter as per the

Policy of the Company on preservation of documents.

- e. The Authorised Officer shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any event/information.
- f. The Authorized Officer shall ensure that the updated Policy is placed on the Website of the Company at all times.

7 DISCLOSURES OF MATERIAL EVENTS AND INFORMATION

- a. The disclosures in respect of events and information enumerated in item number 4 of Annexure 1 relating to “Outcome of meetings of the Board of Directors” shall be made within thirty minutes of the closure of the Board Meeting at which such events were considered or discussed. The intimation of outcome of meeting of the Board of Director shall also contain the time of commencement and conclusion of the meeting.

The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

- (i) thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;
- (ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- (iii) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines:

Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the delay.]

In case an event or information is required to be disclosed by the listed entity in terms of the provisions of this regulation, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the listed entity shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.]

- b. The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved/closed, with relevant explanations.

- c. The Company shall also disclose all events and information with respect to its subsidiaries which are material for the Company.
- d. 30A (1) All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a listed entity or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to these regulations, shall inform the listed entity about the agreement to which such a listed entity is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements:
Provided that for the agreements that subsist as on the date of notification of clause 5A to para-A of part A of schedule III, the parties to the agreements shall inform the listed entity, about the agreement to which such a listed entity is not a party and the listed entity shall in turn disclose all such subsisting agreements to the Stock Exchanges and on its website within the timelines as specified by the Board.
(2) The listed entity shall disclose the number of agreements that subsist as on the date of notification of clause 5A to para-A of part A of schedule III, their salient features, including the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24.]

8 REVIEW / AMENDMENT

The Board of Director may amend, abrogate, modify or revise any or all clauses of this Policy, from time to time, to reflect any changes to the regulations as notified by the Securities and Exchange Board of India and/or the Stock Exchanges and the updated version shall be issued and published as necessary. However, amendments in the Listing Regulations shall be binding even if not incorporated in this Policy. This Policy should be read in conjunction with the listing Regulations.

ANNEXURE -1:

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):

Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.

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.

(7A). In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the Stock Exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

(7B) Resignation of independent director including reasons for resignation: 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:

- a) Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the Stock Exchanges.
 - b) The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - c) The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the Stock Exchanges along with the detailed reasons as specified in sub-clause (i) above.
8. Appointment or discontinuation of share transfer agent.
 9. 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.
 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. (a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.

Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized Stock Exchange(s), in the following manner:

- (i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
- (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:

16. 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.

17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:

- 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.

ANNEXURE – II:

Events which shall be disclosed upon 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.