

## POLICY ON DISCLOSURE OF MATERIAL EVENTS / INFORMATION<sup>1</sup>

### Statutory Mandate

Regulation 30 of the LODR requires all the Listed Companies to frame a Policy for Determination of Materiality of Event or Information ("Policy"), duly approved by the Board of Directors.

The Board of Directors (**The "Board"**) of **Gokaldas Exports Limited (the "Company")** has adopted the following policy on November 09, 2015. The Board may review and amend this policy from time to time.

### Policy Objective and Scope

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined. The purpose of this documents to present a high level policy statement for Gokaldas Exports Limited (GEX) regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

The policy is intended to define GEX's policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in GEX in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the LODR and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

### Definitions

**"Company"** means Gokaldas Exports Limited.

**"LODR"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**"Material Event/ information"** means event / information determined based on application of the guidelines for materiality referred to in sub-regulation (4) of Regulation 30 of the Listing Regulations.

**"Material Subsidiary"** shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

<sup>1</sup> Amended on August 07, 2023

**"Policy"** means 'Policy for Determination of Materiality of Event or Information'.  
**"Subsidiary"** or **"Subsidiaries"** means subsidiary or subsidiaries of the Company.

### **Applicability**

This Policy applies to events specified in Para B of Part A of Schedule III of the Listing Regulations, namely:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the listed entity:
  - a. arrangements for strategic, technical, manufacturing, or marketing tie-up; or
  - b. adoption of new line(s) of business; or
  - c. closure of operation of any unit, division or subsidiary (in entirety or in 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) 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. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety by whatever named called, 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.

Any event/information specified under Regulation 30 read with Para A of Part A of Schedule III to the Listing Regulations shall be disclosed by the Company without application of the guidelines for materiality.

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of Regulation 30 of LODR 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 Company;
- iii. Twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

In case the disclosure is made after the timelines specified under this regulation, the Company shall, along with such disclosure provide the explanation for the delay.

#### **Criteria for disclosure 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) 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 of the Company entity;
  2. Two percent of net worth, as per the last audited consolidated financial statements of the Company, 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 of the Company.
- d) In case where the criteria specified in sub-clauses (1), (2) and (3) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company, the event or information is considered material.

#### **Authority for determination of Materiality of events / information**

The Key Managerial Personnel (KMPs) consisting of the Vice Chairman and Managing Director / Whole-time Director, Chief Financial Officer and the Company Secretary are hereby jointly and severally authorised to determine whether the event / information is material or not and in turn about its time line for disclosure based on the category of information as specified above to the stock exchanges, subject to such information being placed prior to or at the immediate Board Meeting held after the said information being made public.

**Website Updation / Updates to stock exchanges**

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

**Disclosure of events / information on Subsidiaries**

The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.

**Authorisation to KMPs to Suo moto accept / deny reported event or information**

The Key Managerial Personnel (KMPs) consisting of the Vice Chairman and Managing Director / Whole-time Director, Chief Financial Officer / Vice President (Finance) and the Company Secretary are hereby jointly and severally authorised to suo moto accept / deny any report event or information, which has been unauthorisedly made public by media or by any other means including but not limited to electronic means. They are further authorised to respond to the rumors 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.

**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.

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## **POLICY ON MATERIAL SUBSIDIARIES OF GOKALDAS EXPORTS LIMITED**

### **1. Purpose of this policy:**

Gokaldas Exports Limited (“**Gokaldas Exports Limited**” or “**Company**”) is governed amongst others by the rules and regulations framed by Securities Exchange Board of India (“**SEBI**”). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**Listing Regulations**”) lays out regulatory requirements for material subsidiary companies.

The Board of Directors (the “**Board**”) of the Company has adopted the policy and procedures for determining ‘material’ subsidiary companies (“**Policy**”) in accordance with the provisions of Regulation 16 1 (c) of the Listing Regulations.

This Policy will be used to determine the material subsidiaries and material unlisted Indian subsidiaries of the Company and to provide the governance framework for such subsidiaries.

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 (“**Act**”) and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

The Audit Committee will review the policy periodically and may amend the same from time to time, as may be deemed necessary.

### **2. Definitions**

“**Audit Committee**” means the committee constituted by the Board of Directors of the Company in accordance with section 177 of the Act and Regulation 18 of the Listing Regulations.

“**Independent Director**” means a director of the Company, not being a whole time director and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence under the Act and the Listing Regulations.

“**Material Subsidiary**” shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

“**Material Unlisted Indian Subsidiary**” shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

“**Significant transaction or arrangement**” shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% of the total revenues or total

expenses or total assets or total liabilities, as the case may be, of the unlisted subsidiary for the immediately preceding accounting year.

“**Subsidiary**” shall be as defined under the Act and the rules made thereunder.

“**Unlisted Subsidiary**” means subsidiary whose securities are not listed on any recognized Stock Exchanges.

### **3. Policy and procedure**

- a) . The Audit Committee shall also review the financial statements, in particular, the investments made by the unlisted subsidiary of the Company.
- b) The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the Company at regular intervals.
- c) The Board shall be provided periodically with a statement of all significant transactions and arrangements entered into by the unlisted subsidiary Company.
- d) At least one Independent Director of the Company shall be a director on the board of the unlisted material subsidiary whether incorporated in India or not. Only for the purposes of this provision, notwithstanding anything to the contrary contained in regulation 16 (1) (c), the term “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.
- e) The Company shall not dispose of shares in its material subsidiary, which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting except in cases where such divestment is made under a scheme of arrangement duly approved by Court/Tribunal or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.
- f) Selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

### **4. Disclosures**

The Company shall disclose in its Board’s report, details of this Policy as required under the Act and the Listing Regulations. This Policy shall be disclosed on the Company’s website and a web link thereto shall be provided in the Board’s report.

## **5. Limitation and Amendment**

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.