

**RANJEET MECHATRONICS LIMITED**

**POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES**

**As adopted by the Board of Directors**

**On November 1, 2018**

The Policy applies in respect of disclosure of material events occurring within Ranjeet Mechatronics Limited and its subsidiaries.

**1. AUTHORISED PERSONS:**

The Company Secretary will be the custodian of the disclosure process.

In the event of absence of the Company Secretary on account of vacancy, leave, vacancy temporary inaccessibility for any reason, his powers and functions shall be undertaken by a Key Managerial Personnel, as determined by the General Counsel and Chief Compliance Officer from time to time.

The Company's Chief Compliance Officer, in consultation with the Company's Investor Relations department and Key Managerial Personnel shall have the authority to make materiality and distribution determinations covered by this Policy with respect to the information disclosed about the Company. The Chief Compliance Officer or his/her designees, in each case, together with the Company's investor relations department and key managerial personnel have the authority to interpret and enforce this Policy. All questions about this policy should be directed to the General Counsel and Chief Compliance Officer. The Chief Compliance Officer or his/her designee, in each case, together with the Company's investor relations department must pre-approve any deviation from the policies and procedures outlined in this Policy.

**2. MATERIALITY ASSESSMENT:**

Information should be regarded as "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security. Either positive or negative information may be material.

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. The primary approach for determining materiality will be qualitative. The quantitative criteria given hereunder shall be used as a



**RANJEET MECHATRONICS LTD.**

(FORMERLY KNOWN AS: RANJEET ELECTRIC PVT. LTD. || DESTINY ZONE SECURITY SYSTEMS PVT. LTD. || HIMGIRI SOLUTIONS PVT. LTD.)  
**REGISTER ADDRESS:** - Block A. #407 4th Floor Dev Aurum, Anandnagar Cross Road, Prahaladnagar Road, Ahmedabad.  
380015. Gujarat. Tel.: 91 79 40009390. Email: [info@ranjeet.co.in](mailto:info@ranjeet.co.in) and [cs.compliance@ranjeet.co.in](mailto:cs.compliance@ranjeet.co.in) ||  
Website: [www.ranjeet.co.in](http://www.ranjeet.co.in) CIN NO. U31100GJ1993PLC019635



guide or reference for determining materiality and arriving at the overall decision onreportability of the event by the Chief Compliance Officer, the Company's investor relations department and key management personnel.

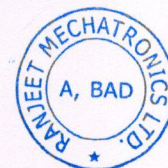
Financial information is particularly sensitive. For example, nonpublic information about the results of the Company's operations for even a portion of a quarter or the portion of the business might be material in helping an analyst predict the Company's financial results for the quarter. Other examples of information that would normally be regarded as "material" include the following although the list is not exhaustive:

- Financial results, financial condition, projections or forecasts;
- Known but unannounced future earnings or losses;
- Significant corporate events, such as a pending or proposed acquisition or joint venture;
- Plans to launch new products or features or significant products defects;
- Significant developments involving business relationships with customers, suppliers or other business partners;
- The status of the Company's progress toward achieving significant goals;
- Changes in auditors or auditor notification that the issuer may no longer rely on an audit report;
- Events regarding the Company's securities (such as repurchase plans, stock splits or changes in dividends, changes to the rights of security holders, public or private sales of additional securities or information related to any additional funding);
- Bankruptcies, receiverships or financial liquidity problems;
- Pricing changes;
- Positive or negative developments in outstanding litigation, investigations or regulatory matters;or
- Known but unannounced changes in the members of the senior management, Board of Directors or the key managerial personnel.

For the avoidance of doubt, events listed in Schedule III, Part A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be disclosed without application of the criteria listed below.

For the purpose of assessing whether a particular transaction or the amounts involved in that transaction are "material" the following information will also be considered, although the list is not exhaustive:

- i. The consideration involved in the transaction as a percentage of Ranjeet Mechatronics Limited's annual revenue;





- ii. The consideration involved in the transaction as a percentage of Ranjeet Mechatronics Limited's fixed assets and as a percentage of Ranjeet Mechatronics Limited's total assets;
- iii. Whether the transaction is in the ordinary course of business;
- iv. Whether a related party is involved in the transaction;
- v. Whether the transaction represents a significant shift in Ranjeet Mechatronics Limited's strategy
- vi. Whether the transaction is an exit from, or entry into, a significant line of business.

For the purpose of determining materiality of an event, the Company finds that the Discussion Paper on review of Clause 36 and related clauses of the Equity Listing Agreement, published by the Securities and Exchange Board of India, represents the best interest of its shareholders.

