



THE HI-TECH GEARS LTD.

CIN - L29130HR1986PLC081555

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POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. Preface

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, The Board of Directors (the "Board") of The Hi-Tech Gears Limited (the "Company") has adopted the following policy and procedures with regard to disclosure of information and determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy shall be known as 'Policy for Disclosure of Event or Information and Determination of Materiality'.

2. OBJECTIVE

The purpose of this policy is to ascertain the requirement of disclosure of events or information to stock exchange(s) and defining criteria for determining materiality of events and information specified under clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations, 2015.

3. EFFECTIVE DATE

This Policy is effective December 1, 2015.

4. DEFINITION

"Act" shall mean the Companies Act, 2013 and the Rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof.

"Board of Directors" or "Board" means the Board of Directors of The Hi-Tech Gears Limited, as constituted from time to time.

"Company" means The Hi-Tech Gears Limited.

"Key Managerial Personnel" means key managerial personnel as defined in subsection (51) of section 2 of the Companies Act, 2013.

"Listing agreement" shall mean an agreement that is to be entered into between a recognized stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015

"Material Event" or **"Material Information"** shall mean such event or information as set out in the Schedule. In the Policy, the words, "material" and "materiality" shall be construed accordingly.

"Material Subsidiary" shall mean any subsidiary company of the Company which is or has been determined as a material subsidiary as per the provisions of the Regulations.

"Policy" means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

www.thehitechgears.com

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Works-III: Plot No. SP-146A, Industrial Complex, Bhiwadi - 301019 Rajasthan INDIA
Head Office: C-41/B, Kalkaji, New Delhi - 110019 INDIA
Subsidiaries: The Hi-Tech Gears Canada. Inc. 361, Speedvale Ave W. Guelph, ON N1H 1C7, CANADA
Teutech LLC. 227, Barton St. Emporium. PA 15834, USA

“Regulations” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

"Schedule" means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015

Any subsequent modification and/or amendments brought about by SEBI in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 shall automatically apply to this Policy

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Regulations or any other applicable law or regulation to the extent applicable to the Company.

5. DISCLOSURES OF EVENTS OR INFORMATION

a) Events specified in Para A of Part A of Schedule III of the Regulation, are deemed to be material events and the Company shall make disclosure of such events or information's as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:

- inform the stock exchanges in which the securities of the Company are listed;
- Upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

- b) The Company shall make disclosure of events as specified in Para B of Part A of Schedule III of the regulation, based on application of guidelines for determining Materiality as per clause 6 of the Policy.
- c) Disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III of the regulation, shall be made within thirty minutes of the conclusion of the board meeting.
- d) The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- e) The Company shall disclose all events or information with respect to its Material Subsidiaries.
- f) The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.
- g) In case where an event occurs or information is available with the Company, which has not been indicated in Para A & B of Part A of Schedule III of the regulation, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

- h) The Company shall disclose all the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

6. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Events / information shall be considered as Material if it meets any of the following criteria:

- a) the event or information is in any manner unpublished price sensitive information;
- b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- c) 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; and
- d) any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

OR

- d) An event or information shall be considered to have a material effect on the company in case such event or information may have an impact of over 5 % of consolidated turnover or 20% of consolidated profit before tax, whichever is lesser, on the company.

7. AUTHORITY TO KEY MANAGERIAL PERSONNEL

Managing Director, Chief Financial Officer and Company Secretary of the Company shall severally have the authority to determine Materiality of any event or information and making disclosure to stock exchange are as under

Designation	Contact No.	Email ID
Managing Director	01244715100	secretarial@thehitechgears.com
Chief Financial Officer	01244715100	secretarial@thehitechgears.com
Company Secretary & Compliance Officer	01244715100	secretarial@thehitechgears.com

8. AMENDMENT

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

9. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company

Incorporated on: November 03, 2015