

BALLARPUR INDUSTRIES LIMITED ('THE COMPANY OR BILT')

POLICY FOR DETERMINATION OF MATERIALITY OF EVENT(S) / INFORMATION (S)

1. INTRODUCTION

The Policy for determination of materiality of event(s) / information(s) (hereinafter referred to as 'Policy') is framed in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and shall be effective from 1st December, 2015.

2. OBJECTIVE

The Policy aims at providing guidelines and procedures for evaluating and making disclosure of material events or information in order to ensure timely and accurate communication of material events or information pertaining to the Company.

3. DISCLOSURE OF EVENTS OR INFORMATION

- a) The Company shall make disclosures of events or information which in the opinion of the Board of Directors of the Company ('Board') is material.
- b) Events specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events and the Company shall disclose such events without application of any guidelines for materiality. These events are listed as Para A to the attached Schedule.
- c) Events specified in Para B of Part A of Schedule III of the Listing Regulations, shall be disclosed based upon application of the guidelines for materiality. These events are listed as Para B to the attached Schedule.

4. DETERMINING MATERIALITY

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the events or information. The criteria given hereunder shall be used a guide or reference for determining materiality and arriving at the overall decision on reportability of the event(s) / information(s)..

The criteria given hereunder shall apply to events specified in Para B of Part A of Schedule III of the Listing Regulations only (reproduced herein for ease of reference as Para B to the attached Schedule).

- 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) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event / information may be treated as being material if in the opinion of the Board of Directors of the Company, the event / information is considered material.

3. PROCEDURE FOR DETERMINATION AND DISCLOSURE OF EVENTS OR INFORMATION

- a) Any event or information purported to be reportable under the Listing Regulations in connection with aforesaid shall be informed to the Company's Chief Executive Officer (CEO), Group Director (Finance) (GDF) and Company Secretary (CS), on an immediate basis with adequate supporting data / information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation by the CEO, GDF or CS.
- b) The CEO shall determine the materiality of any information / event and its reportability in consultation with the GDF Head Law, Company Secretary or any other concerned person and ascertain the appropriate time and contents of the disclosures to be made as per the provisions of Listing Regulations.
- c) In absence of the CEO, any other Key Managerial Personnel is authorised to evaluate and determine the materiality of any information / event with requisite consultation, as above.
- d) After evaluation, the CEO or in the absence of CEO, any other Key Managerial Personnel is authorised to make necessary disclosure to the Stock Exchanges.

The contact details of CEO Key Managerial Personnel authorised for the aforesaid, shall be made available on the website of the Company.

4. TIMELINES FOR DISCLOSURE(S)

- a) Disclosures shall be made as per statutory time frames. Delay, if any, should be sufficiently explained alongwith the disclosure.
- b) The Company shall, with respect to disclosure made as per the Policy, make disclosure(s) updating material developments on a regular basis, till such time the event is resolved / closed, with relevant explanations.
- c) The Company shall disclose on its website all such events or information which have been disclosed to Stock Exchange(s) under this Policy and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter the same shall be preserved, as per Policy of the Company.
- d) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

- e) The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- f) The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- g) In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of the attached Schedule, but may have material effect on it, the Company make adequate disclosures in regard thereof, with due observance of applicable procedure.

5. MODIFICATION

This Policy may be reviewed / modified / amended / altered by Board of Directors of the Company from time to time.

In case of any statutory modification or amendment or alteration of the provisions of Listing Regulations, the modified / amended / altered provisions of the Listing Regulations shall be deemed to be implemented in the Policy immediately with effect from the date of the statutory notification for modification or amendment or alteration etc. or their respective date of applicability, as the case may be.

The amended Policy should be placed before the Board of Directors of the Company in the Board Meeting held immediately after the date of statutory notification for modification / amendment / alteration etc. of the Regulation for noting.

PARA A

EVENTS WHICH SHALL BE DISCLOSED UPON OCCURRENCE 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 Company 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 Company 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 Company 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 Company from stock exchange(s).
 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 Company), 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 the Company 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.
8. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
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 Company.
13. Proceedings of Annual and extraordinary general meetings of the Company.
14. Amendments to memorandum and articles of association of the Company, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

PARA B

EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY PROVIDED UNDER THIS POLICY

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 Company 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 Company
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.

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.
13. 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 accounts, 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 such securities.

PARA C

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 accounts, etc. and brief details thereof and any other information which is exclusively known to the listed Company which may be necessary to enable the holders of securities of the listed Company to appraise its position and to avoid the establishment of a false market in such securities.

PARA D

Without prejudice to the generality of para (A), (B) and (C) above, the listed Company may make disclosures of event / information as specified by Securities and Exchange Board of India from time to time.