

**B. J. DUPLEX
BOARDS LIMITED**

**POLICY ON
DETERMINATION OF
MATERIALITY**

POLICY ON DETERMINATION OF MATERIALITY

[Pursuant to Regulation 30 of Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

POLICY STATEMENT

In an endeavor to promote transparent and close communication with the shareholders, the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every listed company to have a policy on determination of material events and disclosures thereof.

The Policy outlines the guidelines to be followed by B. J. Duplex Boards Limited for the consistent, transparent, regular and timely public disclosure and dissemination of material events/information. The Company is committed to factual, timely and accurate disclosure based on applicable legal and regulatory requirements.

OBJECTIVE OF POLICY

The policy has been framed with the objective of providing adequate and appropriate disclosures that are consistent with the facts of the material events. The current policy mechanisms regulate:

- the procedure determining the materiality of the events/information,
- the procedure governing the disclosure of the events that are deemed to be material;
- to decide upon the instance when the material events have occurred and the time frame within which the information is to be disclosed.

DEFINITIONS

- i. **“Company”** means B. J. Duplex Boards Limited
- ii. **“Board”** means the board of directors of B. J. Duplex Boards Limited;
- iii. **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- iv. **“Policy”** means this Policy on Determination of Materiality of B. J. Duplex Boards Limited;
- v. **“Schedule III”** means Schedule III of the Securities and Exchange Board of India, (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as ascribed to it under the Companies Act, 2013, Listing Agreement, Listing Regulations framed by the Securities Exchange Board of India or any other relevant regulation/legislation applicable to the Company.

GUIDELINES FOR DETERMINING MATERIALITY

The Company shall consider the following criteria for determining the materiality of the events:

- a) The omission of an event or information which is likely to result in discontinuity or alteration of an 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;

AUTHORITY AND RESPONSIBILITY

The Policy has been established and approved by the Board of Directors in their meeting held on November 29, 2015, pursuant to the Listing Regulations.

The Compliance Officer, as designated by the Board of the Company in this behalf, shall be responsible to deal with the dissemination of information and disclosure of any material event or information covered under this Policy to the Stock Exchange, where the shares of the Company are listed, as well as hosting the said event or information on the website of the Company simultaneously.

DISCLOSURES COVERED BY THIS POLICY:

The Company shall make timely disclosure of events which are material in nature in terms of this Policy to the stock exchange where the shares of the Company are listed. The events covered under Part A of Schedule III shall be taken into consideration for determination of materiality. Based on the materiality, the Company shall make mandatory disclosure of the events and information specified below:

I. MATERIAL EVENTS

- a) Acquisitions (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit, division or subsidiary of the listed entity or any other restructuring.
- b) 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.
- c) Revision in Ratings.
- d) Agreements (viz. shareholder agreement, joint venture agreement, family settlement agreement (to the extent that it impacts management and control of the listed entity), agreement treaty/contract with media companies) which are binding and not in normal course of business, revision or amendment and termination thereof.
- e) Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- f) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.) Auditor and Compliance Officer.
- g) Appointment or discontinuation of share transfer agent;
- h) Corporate debt restructuring.
- i) One time settlement with a bank.
- j) Reference to BIFR and winding-up petition filed by any party/creditors.
- k) 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.
- l) Proceedings of Annual and extraordinary general meetings of the listed entity.
- m) Amendments to memorandum and articles of association of listed entity, in brief.
- n) Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

II. OTHER EVENTS

The below mentioned are the other events whose materiality shall be determined as per the criteria specified in this Policy. The Compliance officer of the Company shall be responsible for

determining the materiality of the other events in consultation with the Managing Director of the Company.

- a) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- b) 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).
- c) Capacity addition or product launch.
- d) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- e) Agreements (viz. loan agreement (as a borrower) or any other agreement which are binding and not in normal course of business) and revision or amendment or termination thereof.
- f) 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.
- g) Effect arising out of change in the regulatory framework applicable to the listed entity
- h) Litigation/dispute/regulatory action with impact.
- i) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- j) Options to purchase securities including any ESOP/ESPS Scheme.
- k) Giving of guarantees or indemnity or becoming a surety for any third party.
- l) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- m) In addition to the above mentioned events, the materiality of the transactions shall be considered on the basis of the following criteria:
 - ***On the basis of the Net worth of the company:*** Any transaction/ event pursuant to which there is two percent or more change in the Net Worth of the Company will be considered as material, and the same is required to be disclosed to the stock exchanges on the website of the company.
 - ***On the basis of Turnover of the Company:*** Any transaction with any party during a financial year exceeding ten percent of the annual consolidated turnover of the company will be considered as material.
 - ***On the basis of % age of Total Assets of the Company:*** Any transaction by which there is ten percent or more increase in total assets of the company, will be considered as material, and the same is required to be disclosed to the stock exchanges on the website of the company.

Any event or the information which comes in the knowledge of the Compliance officer, though not covered above but has material effect on the operations of the Company will be adequately disclosed to the Stock Exchange. In the event the Compliance Officer of the Company, as authorized by the Board in this behalf is not sure about whether a particular event constitutes a material event or not for the Company, he should immediately consult the Board of Directors/ Audit Committee in order to clarify the situation.

The disclosure and communication of the material events and information shall be addressed in a clear and precise manner. The Compliance Officer of the Company will furnish prompt and accurate reply to the stock exchange on the queries raised by the stock exchange in relation to any events or information disclosed to it.

The access to all the disclosures made by the Company to stock exchange will also be made available on the website of the Company at <http://bjduplexboard.com>. Any material developments in the events disclosed to the stock exchange shall also be disclosed in the requisite time frame.

PROCESS OF DISCLOSURES OF MATERIAL INFORMATION

In case any Functional Head becomes aware of some material event/information about the Company and as per Schedule III of the Listing Regulations, the said Functional Head shall inform the Compliance Officer of the Company.

The Compliance Officer would then determine in consultation with the Audit Committee/Board of Directors of the Company whether the event/ information, brought before him requires disclosure to the Stock Exchange or not, in accordance with this Policy read with the Listing Regulations. Thereafter, the Board of Directors/ Audit Committee in its meeting shall approve or take note of such event/information, as the case may be. The concerned Compliance Officer will prepare the content of the disclosure and make the adequate disclosure of the said event/information to the stock exchange as per the timeframe defined in this Policy.

TIMELINE FOR DISCLOSURE OF MATERIAL EVENTS:

The Company will disclose all the material events or information concerning its affairs to the Stock Exchange within 24 hours of the conclusion of the meeting of both, the Board of Directors of the Company and the shareholders of the Company where the said event has been discussed or approved or the Board of Directors of the Company, as the case may be. The events having direct bearing or impact on the price of the securities of the Company and for which the approval of both the Board and shareholders is required, shall be disclosed within 24 hours of the conclusion of the Board meeting.

The disclosure by the Compliance Officer shall be made within 30 minutes of the closure of the meeting of the Board held to consider the following events:

- 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 exchanges.

The Compliance Officer of the Company will furnish reply to the stock exchange on the queries raised by the exchange in relation to any events or information disclosed to it within 24 hours. .

DELAY IN DISCLOSING MATERIAL INFORMATION

In certain unavoidable circumstances or due to confidentiality of information for a limited period of time, the Company might delay in disclosing the material event/information to the stock exchange, in that case the disclosure regarding delay in disclosing the material event/ information along with the reasonable explanation and clarification will be disseminated to the stock exchange by the Compliance Officer of the Company.

MAINTENANCE OF DISCLOSURE RECORDS

As per this Policy, the Company shall maintain the disclosures made to the stock exchange on its website for a period of a minimum period of 5 years and maximum period of 8 years.

COMPLIANCE OFFICER:

The Company Secretary of the Company shall be the Compliance Officer of the Company.

EFFECTIVE DATE:

This policy is effective from 1st December, 2015.

REVIEW OF THE POLICY

This policy shall be subject to review by the Board as may be deemed necessary and in accordance with any regulatory amendments.

For B. J. Duplex Boards Limited

Sd/-

S B Jain

Whole Time Director

DIN : 00106272