

## **POLICY ON DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION**

### **1. PREAMBLE:**

The Securities and Exchange Board of India (SEBI) on September 2, 2015, has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as “**the Regulations**” or “**the Listing Regulations**”) to be effective from December 1, 2015.

By virtue of Regulation 30(4)(ii) of Chapter IV of the said Regulations, a responsibility is cast of every listed entity to frame a Policy for determination of materiality of events / information, based on the criteria specified in Regulation 30.

### **2. SCOPE & OBJECTIVE:**

With a view to enable investors of the Company make well-informed investment decisions, timely, accurate and adequate disclosure / dissemination of material events / information, on an ongoing basis is crucial. Accordingly this Policy is formulated to disclose such event(s) / information, which in view of the management and the regulators, is material and thereby attaining highest standards of accountability, equity and transparency of not only business operations of the Company but also of a Company as a whole.

The core objective of this Policy is to ensure the disclosure of material event(s) / information to the stock exchange(s) and stakeholders as and when they occur, thereby protecting the interest of the stakeholders.

### **3. APPROVAL:**

This Policy has been approved and adopted by the Board of Directors of the Company in its meeting held on January 18, 2016.

### **4. EFFECTIVE DATE:**

This Policy is effective from December 1, 2015.

### **5. DEFINITIONS:**

- 5.1 “**Act**” means the Securities and Exchange Board of India Act, 1992, including any amendment or modification thereof.
- 5.2 “**Regulations**” or “**Listing Regulations**” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 5.3 “**Company**” means Bharat Bijlee Limited.

- 5.4 **“Board of Directors”** or **“Board”** means the Board of Directors of Bharat Bijlee Limited, as constituted from time to time.
- 5.5 **“Policy”** or **“This Policy”** means Policy on Determination of Materiality of Events / Information.
- 5.6 **“Compliance Officer”** means the Company Secretary of the Company.
- 5.7 **“Key Managerial Personnel (KMP)”** means Key Managerial Personnel as defined in sub-section (51) of Section 2 of the Companies Act, 2013.
- 5.8 **“Promoter”** and **“Promoter Group”** shall have the same meaning as assigned to them respectively in clauses (za) and (zb) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- 5.9 **“Material Events”** or **“Material Information”** means events as specified in Schedule III to the Listing Regulations and / or in terms of Clause 8 of this Policy, and upon the occurrence of which the Company shall make disclosures to stock exchange(s) and host such disclosures on its website.
- 5.10 **“Officer”** means as assigned to the term in clause (59) of Section 2 of the Companies Act, 2013 and shall include Promoters of the Company.
- 5.11 **“Schedule III”** means Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 5.12 **“Stock Exchange”** means the stock exchange(s) where the securities of the Company are listed.

Terms that have not been defined herein above and anywhere in this Policy shall have the meaning ascribed to them in the Regulations, Listing Agreement, The Companies Act, 2013 and rules made there under and / or any other SEBI Regulation(s) as amended from time to time to the extent applicable to the Company.

## 6. GOVERNING LAWS:

This Policy shall be governed by:

- Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India Act, 1992
- the Companies Act, 2013;
- all other applicable laws for the time being in force.

## 7. GUIDELINES FOR DETERMINING WHEN AN EVENT / INFORMATION HAS OCCURRED:

Pursuant to Securities and Exchange Board of India Circular No CIR/CFD/CMD/4/2015 on 'Continuous Disclosure Requirements for Listed Entities' dated September 9, 2015, below are the guidelines for determining when an event / information have occurred:

7.1 The Company may be confronted with the question as to when an event / information can be said to have occurred;

7.2 In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc, the answer to the above question would depend upon the timing when the listed entity became aware of the event/information.

7.2.1 In the former, the events/information can be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

7.2.2 In the latter, the events/information can be said to have occurred when the Company become aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

## 8. KEY PRINCIPLES FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION:

Events / Information shall be considered as Material if it meets any of the appended criteria: ***(Pursuant to sub-regulation 4 of Regulation 30 & Para B of Part A of Schedule III of the Listing Regulations - Applicable to events / information specified in Annexure II hereunder )***

8.1 The omission of an event / information which is likely to result in:  
- Discontinuity; or  
- Alteration of event / information already available in publicly; or

8.2 The omission of an event / information is likely to result in:  
- Significant market reaction if the said omission came to light at a later date; or

8.3 In case where the criteria specified above i.e., in 8.1 and 8.2 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.

## 9. DISCLOSURE OF EVENTS / INFORMATION:

9.1 Pursuant to Para A of Part A of Schedule III of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, events specified in **Annexure I** (which forms part of his Policy), are deemed to be material events (*i.e., Clause 8 of this Policy need not be applied*) and the Company shall disclose to the stock exchange(s) all such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event / information.

In the event the Company fails to make a disclosure within the aforementioned prescribed period, the Company along with such disclosure(s) shall also provide an explanation for such delay.

However, outcome of the Board Meeting (*Serial No. 4 of Annexure I*) shall be disclosed within thirty (30) minutes of the conclusion of the Board Meeting.

9.2 Pursuant to Para B of Part A of Schedule III of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015, the Company shall make disclosure(s) of events / information as specified in **Annexure II** (which forms part of his Policy), based on application of key principles for determining materiality as per Clause 8 of this Policy.

9.3 It is mandatory for the Company to make disclosure(s) updating material developments on a regular basis, till such time the event is resolved / closed with relevant explanations.

9.4 The Company shall provide specific and adequate reply to all questions raised by stock exchange(s) with respect to any events / information. Further, the Company on its own initiative shall confirm or deny any event / information to stock exchange(s) reported in media .

9.5 In case where an event occurs or an information is available with the Company, which has not been indicated in Annexure I or Annexure II, but which may have material effect on it, the Company will make adequate disclosure(s) in regard thereof.

## 10. WEBSITE UPDATION:

The Company shall disclose on its website:

10.1 all such events / information which has been disclosed to stock exchange(s) under the Listing Regulations; and

10.2 such disclosure(s) shall be hosted on the website of the Company for a minimum period of five (5) years; and

10.3 thereafter as per the Archival Policy of the Company, as disclosed on the website of the Company.

**11. AUTHORITY TO KEY MANAGERIAL PERSONNEL ('KMP'):**

11.1 For the purpose of determining materiality of any event / information:

Mr. Nikhil J. Danani, Vice Chairman & Managing Director, Mr. Nakul P. Mehta, Vice Chairman & Managing Director and Mr. Shome N. Danani, Whole-time Director and any one of Mr. Durgesh N. Nagarkar, Company Secretary and Mr. Yogendra S. Agarwal, Chief Financial Officer, be and are hereby authorized by the Board of Directors of the Company.

11.2 For the purpose of making disclosures(s) to the stock exchanges(s) under the Listing Regulations:

Mr. Durgesh N. Nagarkar, Company Secretary and Mr. Yogendra S. Agarwal, Chief Financial Officer, be and are hereby authorized by the Board of Directors of the Company.

11.3 A single point of contact of the KMP's for the above purpose is appended herein below and will be disclosed to the stock exchange(s) simultaneously and also on the website of the Company:

**Mr. Durgesh N. Nagarkar**  
**Company Secretary & Compliance Officer,**  
**Senior General Manager, Legal**

Bharat Bijlee Limited  
Electric Mansion, 6<sup>th</sup> Floor,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai - 400 025  
Email: [durgesh.nagarkar@bharatbijlee.com](mailto:durgesh.nagarkar@bharatbijlee.com)  
Phone: +91 22 2430 6237

**12. COMPLIANCE OFFICER:**

The Compliance Officer for the purpose of complying with the provisions of the Listing Regulations shall be the Company Secretary of the Company.

**13. AMENDMENTS TO THE POLICY:**

The Board of Directors can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

**14. COMMUNICATION OF THE POLICY:**

This Policy shall be placed on the website of the Company.

**For Bharat Bijlee Limited**

**Sd/-  
DURGESH N. NAGARKAR  
Company Secretary & Senior General Manager  
Legal**

Place: Mumbai  
Date December 1, 2015

<b>Sr. No.</b>	<b>Material Events (As per Para A of Part A of Schedule III)</b> <i>(Events to be disclosed without any application of the guidelines for materiality as prescribed in sub-regulation 4 of regulation 30)</i>
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 listed entity or any other restructuring.
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 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 listed entity 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 listed entity), 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 listed entity 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 listed entity.
13	Proceedings of Annual and extraordinary general meetings of the listed entity.
14	Amendments to memorandum and articles of association of listed entity, in brief.
15	Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

<b>Sr. No.</b>	<b>Material Events (As per Para B of Part A of Schedule III)</b> <i>(Events or Information that are to be disclosed based on Materiality Guidelines listed in the Policy)</i>
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 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	Litigation(s) / dispute(s) / regulatory action(s) with impact.
9	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
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.

**For Bharat Bijlee Limited**

**Sd/-**  
**DURGESH N. NAGARKAR**  
**Company Secretary & Senior General Manager**  
**Legal**

Place: Mumbai  
Date December 1, 2015