

# **Materiality Policy**

Issued by: BPL Limited

Effective Date: December 1, 2015

## **OBJECTIVE**

The objective of this Materiality Policy (“Policy”) is to fix criteria for determination of materiality of events or information in relation to BPL Limited (“Company”) and/or its Subsidiaries, if any, to ensure timely and adequate disclosure of material events/information to the stock exchanges.

## **BACKGROUND**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), effective from December 1, 2015, under its Regulation 30 (4) (ii) requires every listed entity to formulate a policy for determination of materiality of an event or information for the purpose of making disclosures to the stock exchanges and such policy is required to be disclosed on the company's website. Further, Para B of Part A of Schedule III of the Listing Regulations provides a list of events for which the disclosures have to be made to the stock exchange based on application of certain guidelines on materiality prescribed under the Listing Regulations.

Considering the requirements of the said Regulation of the Listing Regulations, the Company has formulated this Policy for determining materiality of an event or information for the purpose of disclosures to be made by the Company to the stock exchanges.

## **DEFINITION**

- (i) “Board of Directors” or “Board” means the Board of Directors of BPL Limited, as constituted from time to time.
- (ii) “Subsidiary” shall mean a subsidiary as defined under the Companies Act, 2013.

## **CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION**

The Company shall consider the following criteria for determination of materiality of an event/information:

- (i) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (ii) 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;

- (iii) In case where the criteria specified in sub-clauses (i) and (ii) 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.

## **SCOPE**

The Company is required to apply the abovementioned criteria for determination of materiality of the events/information mentioned below:

- (i) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- (ii) 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).
- (iii) Capacity addition or product launch.
- (iv) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- (v) 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.
- (vi) 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.
- (vii) Effect(s) arising out of change in the regulatory framework applicable to the Company.
- (viii) Litigation(s) / dispute(s) / regulatory action(s) with impact.
- (ix) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
- (x) Options to purchase securities including any ESOP/ESPS Scheme.
- (xi) Giving of guarantees or indemnity or becoming a surety for any third party.
- (xii) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- (xiii) 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 their position and to avoid the establishment of a false market in such securities.

Without prejudice to the generality of the above, the Company may make disclosures of event/information as specified by the Board from time to time.

## **DISCLOSURES TO THE STOCK EXCHANGES**

Any transaction, event or information relating to the Company and/or its Subsidiaries, if any that might fall within the Section - Scope is required to be reported immediately by the employees of the Company and/or its Subsidiaries to Company Secretary or Chief Financial Officer (CFO) of the Company. The contact details are as follows: Telephone: 080-25589109/25327985.

The Company Secretary and the CFO together will determine the materiality of the event/information in consultation with the Managing Director of the company. The Company Secretary and the CFO will ensure that adequate disclosures with respect to such material events/information are made to the stock exchanges within the timeline prescribed under the Listing Regulations.

## **AMENDMENTS/MODIFICATIONS**

In case of any subsequent changes in the provisions of the Companies Act, 2013 or the Listing Regulations or any other applicable law which makes any of the provisions in this Policy inconsistent with the Companies Act, 2013 or the Listing Regulations or such applicable law, then the provisions of the Companies Act, 2013 or the Listing Regulations or such applicable law would prevail over the Policy and the provisions in this Policy would be modified in due course to make it consistent with such change.

The Board of Directors of the Company may subject to applicable laws amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board of Directors in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

*This policy has been approved by the Board of BPL Limited at its meeting held on 12<sup>th</sup> February, 2016*

\*\*\*\*\*