



THE BOMBAY BURMAH TRADING CORPORATION, LIMITED

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. BACKGROUND

The Bombay Burmah Trading Corporation, Limited (the Corporation) is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Corporation's securities are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Corporation will comply with the continuous disclosure obligations as mandated by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations) that come into effect from December 1, 2015.

The Policy on Determination of Materiality of events or information that warrant disclosure to investors has been framed in compliance with the requirements of the Listing Regulations.

The words and expressions used which are not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable Laws, and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

2. OBJECTIVES OF THE POLICY

The objectives of this Policy are as follows:

- a. To ensure that the Corporation complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other legislations.
- b. To ensure that the information disclosed by the Corporation is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of Material / Price sensitive information within the context of the Corporation's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Corporation.
- f. To ensure uniformity in the Corporation's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

3. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

The Corporation shall determine the materiality of an event / information for the purpose of disclosure to Stock Exchanges by applying 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 considered as being material in the opinion of the Board of Directors of the Corporation.

4. DISCLOSURES OF EVENTS OR INFORMATION

- a. Events or information specified in Para A of part A of Schedule III of the Listing Regulations shall be deemed to be material events and the Corporation shall make disclosure of such events or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of the same.
(Annexure A)
- b. The Corporation shall make disclosure of events specified in Para B of part A of Schedule III of the Listing Regulations, based on application of Guidelines for materiality, as specified in this Policy **(Annexure B)**
- c. The Corporation shall make disclosures updating material developments on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- d. The Corporation shall disclose all events or information with respect to its material subsidiaries.
- e. The Corporation shall provide specific and adequate reply to all queries raised by stock exchange with respect to any events or information. Further, on its own initiatives shall confirm or deny any event or information to stock exchange reported in the media.
- f. In case where an event occurs or information is available with the Corporation, which has not been indicated in Annexure A or Annexure B, but which may have material effect on it, the Corporation will make adequate disclosures in regard thereof.

5. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Board of Directors of the Corporation have authorised the Managing Directors, Chief Financial Officer and the Company Secretary (Authorized Persons) to determine the materiality of an event or information and to make appropriate disclosure on a timely basis. The Authorised Persons are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The Authorized Persons will ascertain the materiality of such event or information based on the above guidelines. On completion of the assessment, the Authorized Persons shall make appropriate disclosure(s) to the Stock Exchanges.

6. POLICY REVIEW

The Authorized Persons may review the Policy from time to time. Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

7. EFFECTIVE DATE

The Policy as approved by the Board of Directors shall be effective from December 1, 2015.

8. WEBSITE

The Policy shall be disclosed on the website of the Corporation. Further, the Corporation shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Corporation for a period of five years and thereafter as per the Archival Policy of the Corporation.

9. CONTACT DETAILS

Questions or clarifications about the Policy or disclosures made by the Corporation should be referred to the Vice President Corporate & Company Secretary , who is in charge of administering, enforcing and updating this policy.

Mr N H Datanwala
Vice President Corporate & Company Secretary
The Bombay Burmah Trading Corporation, Limited
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Annexure A

Events which shall be disclosed without any application of the guidelines for Materiality Referred to :

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 Corporation or any other restructuring;

Explanation : '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 Corporation 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 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 credit rating(s);
 4. Outcome of Meetings of the Board of Directors: The Corporation 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 Corporation 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 Corporation), 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 Corporation 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 Corporation;
13. Proceedings of Annual and Extraordinary General Meetings of the Corporation;
14. Amendments to Memorandum and Articles of Association of Corporation, in brief;
15. Schedule of Analysts' or institutional investors' meet and Presentations on financial results made by the Corporation to analysts or institutional investors.

Annexure B

Illustrative list of events which shall be disclosed upon application of the guidelines for materiality referred to in :

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 Corporation 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 Corporation;
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 Corporation;
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 Corporation which may be necessary to enable the holders of securities of the Corporation to appraise its position and to avoid the establishment of a false market in such securities.