



BDH
INDUSTRIES LTD.

POLICY ON DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Scope of Policy

This Policy is framed in accordance with the requirements of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to determine materiality of any event/information based on the criteria specified in these regulations and to ensure timely and accurate dissemination of the material event/information to the Stock Exchange.

Objective of Policy

This Policy for determination of materiality of events/information aims at:

- ensuring that all investors have equal access to material information that may affect their investment decisions;
- ensuring that adequate and timely information is provided to stakeholders;
- avoiding establishment of false market in the securities of the Company; and
- communicating the principles of materiality based on which the Company shall make disclosures of events or information.

Disclosure of Events or Information

a. Regulation 30(4) reads as follows:

“(4) (i) The listed entity shall consider the following criteria for determination of materiality of events/ information:

(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 listed entity, the event/ information is considered material.

(ii) The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.”



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Tel: 61551234, 28870834/1370 • Fax: 91-22-28868349 • Web: www.bdhind.com • Email: bdhind@vsnl.com, info@bdhind.com

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b. Events / information specified in Annexure A are deemed to be material events and the Company shall make disclosure of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:

- i. inform the stock exchanges in which the securities of the Company are listed;
- ii. upload on the website of the Company.

c. The Company shall make disclosures with respect to item no. 4 of Annexure A i.e., certain events regarding outcome of Board Meetings within 30 minutes of the conclusion of the Board Meeting

d. The Company shall promptly make disclosure of events as specified in Annexure B based on application of guidelines for determining Materiality as per Clause 4 (ii) of the Policy.

e. The Company shall make disclosures for updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

f. The Company shall provide timely and adequate reply to all queries raised by stock exchange(s) with respect to any events or information. Further, the Company may, in appropriate cases, confirm or deny to the stock exchange(s), any reported event or information.

g. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure A or Annexure B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's Archival Policy.

Regulation 30(5) Authority to key managerial personnel

The Managing Director and Executive Director of the Company shall be severally authorized to determine Materiality of any event or information, verifying or denying rumours for the purpose of making disclosures to the stock exchange(s), subject to the provisions of this Policy.

The aforesaid Key Managerial Personnel shall be further severally authorized to make necessary disclosures of material event / information to the Stock Exchanges and upload the same on the Company's website.

Policy Review

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors. The Board may amend or modify this Policy in whole or in part, at any time.



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Annexure A

Events which shall be disclosed without any application of the guidelines for materiality as soon as possible and not later than twenty four hours from the occurrence of event or information-

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.

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. 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.

5. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

6. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.

7. Appointment or discontinuation of share transfer agent.

8. Corporate debt restructuring.

9. One time settlement with a bank.

10. Reference to BIFR and winding-up petition filed by any party / creditors.

11. 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.

12. Proceedings of Annual and extraordinary general meetings of the listed entity.

13. Amendments to memorandum and articles of association of listed entity, in brief.

14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

Note: If the Company is not in a position to inform the stock exchanges within 24 hours of the decision taken at the Board Meeting, then it shall inform the stock exchanges as soon as it is possible with an explanation as to reason for delay in disclosing the said information.



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Annexure B

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

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 Company;
10. Options to purchase securities including any ESOP/ESPS Scheme of the Company, if any;
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.

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

Annexure D

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



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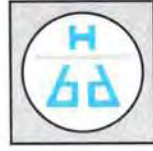


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February 12, 2016

Addressed to:
General Manager
Dept. of Corporate Services
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400001
Scrip Code: '524828' / 'BDH'

Dear Sir,

Subject : Authorisation to Determine Materiality of an event or information under Regulation 30(5) of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015

Pursuant to Regulation 30(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, one or more Key Managerial Personnel (KMP) shall have to be authorized for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock exchange. The contact details of such personnel have to be disclosed to the stock exchange as well as hosted on the Company's Website.

It is therefore to bring to your kind notice that in compliance with the above, the following KMPs are severally authorized by the Board of Directors to determine materiality of event or information and for the purpose of making disclosures to the Bombay Stock Exchange (BSE).


1 Mrs. Jayashree Nair, Managing Director	: Ph. No. : 022-61551234 : E-mail id : investors@bdhind.com
2 Mr. S. C. Kachhara, Executive Director	: Ph. No. : 022-61551234 : E-mail id : investors@bdhind.com

The aforesaid information is also hosted on the website of the Company i.e. www.bdhind.com.

This is for your information and record.

Thanking you,

Yours faithfully
For **BDH Industries Limited**


Nikita Phatak
Compliance Officer



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