POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION

1. **Preamble**

The Board of Directors (the “Board”) of Barak Valley Cements Limited (“the company” or “BVCL”) has approved and adopted the policy for the determination of materiality of the events/information on dated November 7, 2015 and come in force w.e.f December 1, 2015. The board will constantly review and if found essential, may amend this policy from time to time.

2. **Purpose of the policy**

The purpose of the policy is to ensure timely and adequate disclosure of material events as mentioned under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) read with of sub-regulation (4) of Regulations 30 of the listing regulations.

3. **Disclosure of events or information**

i) The company shall mandatorily disclose the events as specified in Para A of part A of schedule III of the listing regulations, without applying any text of materiality, the same have been enclosed as Annexure 1 for reference.

ii) The listed entity shall make disclosure of events specified in Para B of part A of schedule III, based on application of the guidelines for materiality, as specified below:-

Criteria would mean an event/information

a) The omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publically;

Or

b) The omission of an events 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(s) (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 company, the event / information is considered material.

iii). Any other information/event/ major development that is likely to affect business, i.e. emergence of new technologies, expiry of plants, 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 apprise its position and to avoid the establishment of a false market in such securities, as stated under Para C of part A of schedule III of the listing regulations, be disclosed as may be advised by the board from time to time.

iv). The company shall make disclosures of any events or information which, in the opinion of the board of directors of the listed company, is material. In case where an event occurs or information is available with the company, which has not been indicated in Annexure 1 and 2, but which materially effects the company is required to make adequate disclosures in regard thereof.

4. **<u>Guidance on when an event/information can be said to have occurred.</u>**

a) In certain instance, the occurrence of material event/information 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, it would depend upon the timing when the company became aware of the event/information.

b) Events/information shall be said to have occurred upon receipt of approval of Board of Directors and/or of the shareholders as may be required.

c) Events/information that may be of price sensitive nature such as declaration of dividends etc., on receipt of approval of the event by the Board of Directors, pending shareholder’s approval

d) The event/information can be said to have occurred when the company becomes 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.

Here, the term ‘officer’ shall have the same meaning as defined under the companies Act, 2013 and shall also include promoter of the company.

5. **Qualitative criterion governing the disclosure of material events/information :**

The Qualitative Criterion governing the disclosure of material events/information is where the omission in disclosure of such events/information may likely to result in:

(i) Discontinuity or alteration of event or information is already with the public or

(ii) Chances of significant market reaction if omission become public in later date.

6. **Qualitative criterion governing the disclosure of material events/information**:

(i) Omission of event or information whose value or expected impact exceeds any of the following criterion:

(a) 2% of turnover as per last audited consolidated financial statements

(b) 2% of net worth as per last audited consolidated financial statements except in case the arithmetic value of net worth is negative.

(c) 5% of the average absolute value of profit or loss after tax as per last three years audited consolidated financial statements of the Company.

In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.

7. **Prompt disclosure of material events**

The Company shall disclose to the stock exchange(s) all such events or information which are material in terms of the provisions of the Listing Regulations as soon as reasonably possible and in any case not later than the following:

(i) 30 minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken;

(ii) 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;

(iii) 24 hours from the occurrence of the event or information in case the event or information is not emanating from within the Company.

In case the disclosure is made after the aforesaid timelines, the Company shall along with such disclosures provide explanation for such delay. However, events or information specified in Part A of Schedule III of the Listing Regulations, shall be disclosed within such time limit as may be prescribed under the Listing Regulations from time to time.

8. **Authorisation for disclosures**

Under the system, Executive Director, Chief finance officer & company secretary (Responsible Officer) who are responsible for the company's operations must report to Mr. Kamakhya Chamaria, Vice chairman & Managing Director for any event/information which may possibly be material or of which the Responsible Officer is unsure as to its materiality. The event/information should be reported immediately after a Responsible Officer becomes aware of it.

On receipt of communication of potential material event/information, any two among the Directors of the company who is in receipt of the information shall jointly:-

i. Review event/ information and to take whatever steps necessary to verify its accuracy;

ii. Assess whether the event/information is required to be disclosed to the stock Exchanges under the Listing Regulations;

iii. Report the matter to Mr. Kamakhya Chamaria, Vice Chairman & Managing Director of the company that event/information is material and requires disclosure under regulation 30 of the Listing Regulations.

Any one among Mr. Kamakhya Chamaria, Vice Chairman & Managing Director or Company Secretary of the company shall be singly or jointly be authorized to make disclosures to the stock exchange(s).

Contact details of authorized personnel: Mr. Kamakhya Chamaria, Vice Chairman & Managing Director and Company Secretary of the Company are as: Office Phone No. : 011-49805300 & other contact information is also available on the company's website.

9. **Posting of information on company's website**

All Such events or information which has been disclosed to stock exchange(s) under this regulation, to be placed on the website of the company for a minimum period of five years and thereafter as per the archival policy of the company.

The Policy and the contact details of the persons authorized by the Board are also available on the website of the Company.

Annexure-1

The below list of events as specified in Para A of Schedule III of the Listing Regulations, are deemed to be material events and disclosure of such events shall be made to the Stock Exchange(s) as per the Listing Regulations, 2015 and as amended from time to time.

Schedule III Part 'A' and Para 'A'	**Provision**
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: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following: 1. 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; 2. Any cancellation of dividend with reasons thereof; 3. The decision on buyback of securities; 4. The decision with respect to fund raising proposed to be undertaken 5. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched; 6. 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; 7. Short particulars of any other alterations of capital, including calls; 8. Financial results; 9. Decision on voluntary delisting by the listed entity from stock exchange(s).
5.	Agreements which are binding and not in normal course of business, revisions or amendments and terminations thereof (viz. shareholder agreements, joint venture agreements, family settlement agreements, contracts with media companies)
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;

SEBI Circular date September 9, 2015 had provided the details that need to be provided while disclosing events specified in par A and B of Schedule III of the Listing regulations.

Annexure-2

The Below list of events as specified in Para B of Schedule III of the listing regulations, as amended from time to time, to be disclosed to the stock exchanges based on application of the guidelines for materiality.

Schedule III Part 'A' and Para 'B'	**Provision**
1.	Commencement or any postponement in the date of commencement of commercial production 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 or new lines of business or closure of operations of any unit/division (entirely or piecemeal)
3.	Capacity addition or product launch.
4.	Awarding, bagging/receiving, amendment or termination of awarded/begged orders/contracts not in the normal course of business.
5.	Agreements (viz. loan agreements(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendments (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.	Effects(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.
11.	Giving of guarantees or indemnity or becoming a surely for any third party.
12.	Granting, withdrawal, surrender, cancellation or suspension
	of key licenses or regulatory approvals.

SEBI Circular date September 9, 2015 has provided the details that need to be provided while disclosing events specified in Para A & B of Part A of Schedule III of the Listing regulations.