

AGARWAL DUPLEX BOARD MILLS LIMITED

MATERIAL EVENTS POLICY

Approved by Board of Directors

POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURES

1. PREAMBLE

In terms of Regulation 30 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”), every listed entity shall make disclosures of any events or information which, in the opinion of the board of directors of the listed company, is material.

Regulation 30 (4) (ii) of SEBI LODR Regulations requires framing of a policy for determination of materiality, based on criteria as laid in the Regulations, duly approved by its board of directors, which is disclosed on its website.

Accordingly, the Board of Directors (the ‘Board’) of **AGARWAL DUPLEX BOARD MILLS LIMITED** (‘ADBML or Company’) has adopted the following policy and procedures as “ADBML Policy for Determination of Materiality of Events or Information for Disclosure” (the ‘Policy’) for disclosure of material event or information to the stock exchanges, which is considered necessary from time to time.

2. PURPOSE & OBJECTIVE

This policy is framed as per requirements of SEBI (LODR) Regulations for timely, adequate and accurate disclosure of information on an ongoing basis by the Company to enable investors to make well-informed investment decisions.

The objective of this Policy is to determine events/information which are material and having a bearing on performance/operation of the Company and/or are price sensitive in nature.

This Policy is framed in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, notified on 2nd September 2015 which shall be effective from 1st December 2015 and other SEBI Circulars specified in this regard.

3. All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued there under, as amended from time to time.

4. DEFINITIONS

1. “**Board of Directors or Board**” means the Board of Directors of Agarwal Duplex Board Mills Limited, as constituted from time to time.
2. “**Company**” means “Agarwal Duplex Board Mills Limited”.
3. “**Policy**” means Policy on Disclosure of Material Events / Information.

4. “**Key Managerial Personnel**” (KMP) of the Company includes Managing / Whole time Directors, Chief Financial Officer and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.

5. **Policy**

CATEGORY A

The following shall be disclosed to the stock exchanges any time after the decision is taken or approval is granted but no later than **30 minutes** of the conclusion of the meeting of the Board of Directors of the Company (hereinafter referred to as ‘Board’):

- 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).

CATEGORY B

The following events/information will be disclosed to the stock exchanges as soon as possible but not later than **24 hours** of the Occurrence of the events/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 listed entity 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).

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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;

TEST OF MATERIALITY:

In order to determine whether a particular event / information is material in nature, the following 'quantitative' or 'qualitative' criteria(s) shall be applied:

- a) **Quantitative Criteria:** Where the value involved in an event or the impact of an event exceeds 10% of the gross turnover or revenue or total income; or exceeds 10% of the net worth, as per the audited consolidated financial statements of last financial year, whichever is higher.
- b) **Qualitative Criteria:** In absence of quantitative criteria, event shall be considered material if;
 - 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; or
 - iii. event or information as may be decided material by the Competent Authority or Board of Director.

CATEGORY C

The following events/information will be disclosed to the stock exchanges as soon as possible but not later than **24 hours** of the Occurrence of the events/information, if the same is considered to be material but after considering the test of 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 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 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.

Where the Company makes the disclosures to the stock exchanges under category (A), (B) or (C) above, the company will also disclose material development(s) on the said events/information.

6. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

The Key Managerial Personnel (KMPs) consisting of the Whole time Director & Managing Director are hereby jointly and severally authorised to determine whether the event / information is material or not and Whole time directors and Managing Director are authorised to determine to disclose the information to stock exchange.

7. WEBSITE UPDATION / UPDATES TO STOCK EXCHANGES

The Policy shall be posted on the Company's website and the Company shall update all disclosures made under the policy to the stock exchanges in its website and shall continue to host in the website for a minimum period of five years.

8. AUTHORISATION TO KMPS TO SUO MOTO ACCEPT / DENY REPORTED EVENT OR INFORMATION

The Key Managerial Personnel of the Company jointly and severally are authorised to provide adequate reply to all queries raised by stock exchanges with respect to any events / information and may on their own initiative also, confirm or deny any reported event or information to stock exchange(s).

9. 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.