

**BLACK ROSE INDUSTRIES LIMITED**

**POLICY FOR DETERMINATION OF MATERIALITY OF ANY  
EVENTS OR INFORMATION**

**EFFECTIVE FROM DECEMBER 1, 2015**

## **1. BACKGROUND**

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Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Regulations**") requires every listed entity to disclose events or information which, in the opinion of the Board of Directors of the Company, are material.

It is in this context that the **Policy for Determination of Materiality of any Event or Information ("Policy")** is being framed, implemented and adopted by the Board of Directors of the Company.

## **2. OBJECTIVE**

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The objective of this Policy is to determine materiality of events or information pertaining to the Company and to ensure that such events or information are disclosed to the stock exchange where the securities of the Company are listed.

## **3. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION**

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Events or Information shall be considered as Material if it meets any of the following criteria:

- 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; or
- c) The event or information is in any manner unpublished price sensitive information; or

### **Quantum / Threshold limit for determining materiality**

A transaction is considered to be material if the value of it is more than or equal to 10% of turnover or 25% of net worth, whichever is lower.

## **4. AUTHORITY TO DETERMINE MATERIALITY OF EVENTS OR INFORMATION**

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The Company Secretary of the Company shall have the authority to determine the materiality of an events or information and accordingly make disclosure of such events or information to the stock exchange where the securities of the Company are listed.



## 5. DISCLOSURE OF EVENT OR INFORMATION

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The Events / Information that needs to be disclosed are enumerated below:

- a) Events or information as specified in **Annexure A** are deemed to be material events and the Company shall make disclosure of such events or information to the stock exchange within twenty-four hours from the occurrence of such event or information or within such time period as may be specified in the Regulations.
- b) On application of the materiality criteria for the events or information as specified in **Annexure B**, such events or information shall be disclosed immediately to the stock exchange.
- c) Any event or information which is not mentioned in **Annexure A** or **Annexure B** or are below the materiality threshold limit, but which has material effect on the Company, may be disclosed to the stock exchange.
- d) The Company shall disclose all material events or information with respect to its Material Subsidiaries.
- e) The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- f) The Company shall provide specific and adequate reply to all queries raised by stock exchange with respect to any events or information.

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.

## 6. EFFECTIVE DATE

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This policy shall be effective from December 1, 2015

## 7. POLICY REVIEW

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This policy shall be reviewed from time to time so that the policy remains compliant with applicable legal requirement. The Company Secretary of the Company will keep this policy updated as per the statutory guidelines.



## 8. AMENDMENT

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The Board of Directors of the Company shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with the new provision or replace this Policy entirely with a new Policy according to subsequent modifications/amendments to the Regulation.

## 9. DISSEMINATION OF POLICY

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This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company.

***General Note:***

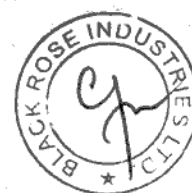
***Questions about this Policy should be referred to the Company Secretary / Assistant Company Secretary of the Company.***



## ANNEXURE A

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

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 Company 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 credit rating(s);
4. Outcome of Meetings of the Board of Directors: The Company 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 Company 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 Company), 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 Company 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 Company;
13. Proceedings of Annual and extraordinary general meetings of the Company;
14. Amendments to memorandum and articles of association of Company, in brief;
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.



## ANNEXURE B

### Events which shall be disclosed on 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;
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,

