

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS FOR DISCLOSURE TO STOCK EXCHANGES

1. INTRODUCTION

The Board of Directors (The “Board”) of Binny Limited (the “Company”) have adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy.

The Board may review and amend this policy from time to time.

This Policy is formulated in compliance with the terms of Clause 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

2. MATERIAL EVENTS AND INFORMATION

2.1. The events specified in Para A of Part A of Schedule III to the Listing Regulations shall be deemed to be material events for the purpose of disclosure to the Stock Exchanges, without application of materiality criterion/ thresholds given in clause 3 below. List enclosed as *Annexure I*.

2.2 Further to the clause 2.1 the events specified in sub-para 4 of Para A of Part A of Schedule III shall be disclosure within thirty minutes of the conclusion of the Board Meeting. List enclosed as *Annexure II*.

2.3. The events specified in Para B of Part A of Schedule III to the Listing Regulation conforming to the qualitative materiality criterion given in clause 3.1 below or quantitative materiality thresholds given in clause 3.2 below shall be considered material for the purpose of disclosure to the Stock Exchanges in terms of Regulation 30(3) of the Listing Regulations. List enclosed as *Annexure III*.

2.3 The Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Board of Directors of the Company.

2.4 In respect of events covered in Clause 2.1 and 2.3 the Company shall make disclosure of events as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information and in respect of events covered in Clause 2.2 the disclosure shall be made within thirty minutes of the Conclusion of Board Meeting.

2.5 In case the disclosure is made after twenty four hours of occurrence of the event or information, the Company along with the disclosure shall provide an explanation for delay.

2.6 The aforesaid events and information shall be disclosed to the Stock Exchanges in the manner prescribed under Listing Regulations.

3. CRITERION FOR DETERMINATION OF MATERIALITY

The following criterion/ thresholds shall be considered for determination of materiality of events and information:

3.1 Qualitative Materiality Criterion

- 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 criterion specified in sub-clauses (a) and (b) above are not applicable, an event/ information may be treated being material, if in the opinion of the Board of Directors of the Company, the event or information is considered material.

3.2 Quantitative Materiality Thresholds

The event or information the impact of which is more than 10% of the consolidated turnover or net worth of the Company, as the case may be. These thresholds shall be determined on the basis of audited consolidated financial statements of the Company for the preceding financial year.

4. AUTHORITY

4.1. The Managing Director is the authority:

- To determine the materiality of an event or information;
- To classify a Material event or information;
- To decide the appropriate time at which disclosure is to be filed with the stock exchanges and details that may be filed in the best interest of present and potential investors.
- To make disclosures updating material developments on a regular basis, till such time the pervious disclosed material events is resolved/closed with relevant explanations.
- To provide specific and adequate reply to all queries raised by Stock Exchange with respect to any events or information.

In any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard.

This Policy and all material events or information's shall be disclosed on the Company's Website – www.binnyltd.in. Such disclosures shall be hosted on the website of the Company as per the Archival Policy.

4.2 Normally, the Company Secretary shall make necessary disclosures of events or information to the Stock Exchanges under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by Chief Financial Officer or Managing Director of the Company.

5. AMENDMENT

This Policy can be amended, modified or revised by the Board of Directors of the Company from time to time. In case any provisions of this Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations (“Statutory Provisions”), the provisions of Statutory Provisions shall prevail.

Para A of Part A of Schedule III to the Listing Regulations:

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 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).

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;

Annexure II

Sub-para 4 of Para A of Part A of Schedule III to the Listing Regulations:

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:

- 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).

Para B of Part A of Schedule III to the Listing Regulations:

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.