

**POLICY
ON
DETERMINATION OF MATERIALITY
OF
EVENTS OR INFORMATION**

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1. Legal Framework

This Policy for Determination of Materiality of Events or Information (the “Policy”) is aimed at providing guidelines to the Management of CCL Products (India) Limited (the “Company”), to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the stock exchanges.

This Policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India (“SEBI”), under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), with respect to disclosure of events and information.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors of the Company in its meeting held on October 29, 2015 approved the "Policy for Determination of Materiality of Events or Information". The Board shall review, and if found required, may amend this Policy from time to time.

This Policy will be applicable to the Company effective December 1, 2015.

2. Objective

The objective of this Policy is to serve as a guiding charter to the Management to ensure timely and adequate disclosure of events or information are made to the investor community by the Company under the Listing Regulations, to enable them to take well-informed investment decisions with regard to the securities of the Company.

3. Applicability

Information relating to material events and which is price sensitive in nature, shall be promptly disseminated to the Stock Exchanges. For this purpose, material event means any information which relates to the Company and which, if published is likely to materially affect the price of shares of the Company.

- i. The Company shall make disclosure of events specified in Annexure 1 (Events specified in Para A of Part A of Schedule III of the Listing Regulations and as may be amended from time to time), without applying any test of materiality to the stock exchanges within specified timelines.

- ii. The Company shall make disclosure of events specified in Annexure 2 (Events specified in Para B of Part A of Schedule III of the Listing Regulations and as may be amended from time to time), based on application of the guidelines for materiality, to the stock exchanges within specified timelines, as specified below:

Quantitative criteria would be calculated based on audited financial statements of the last audited financial year, and would mean event/information where the value involved or the impact:

- (a) *exceeds two per cent of the turnover, or*
- (b) *exceeds two per cent of the net worth*
- (c) *exceeds five percent of the average of absolute value of profit or loss after tax*

whichever is lower.

Qualitative 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 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 company, the event / information is considered material.*

- iii. 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 shareholders of the Company to appraise its position and to avoid the establishment of a false market in such securities, would be disclosed as 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, 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 may have material effect on it, the Company would make adequate disclosures in regard thereof.

4. Guidelines on occurrence of an event / information

The occurrence of material event/information would be either by the Company's own accord or not in the hands of the Company. It can be categorized as under:

- (i) depends upon the stage of discussion, negotiation or approval and
- (ii) in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 4(i), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders. However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval.

In respect of the events under 4(ii), the events/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. The term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include Promoter of the Company.

5. Disclosure of material events / information

The Company shall disclose to the stock exchanges of all events, specified in Annexure-1 (**Annexure**) or information as soon as reasonably possible and in any case not later than the following:

- i. thirty 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. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- iii. twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity.

In the event, the disclosure occurrence of the event or information is made **after the timelines referred of in the Annexure**, the Company shall, along with such disclosures provide an explanation for such delay.

The Company shall make disclosures updating the material developments pertaining to material events on a regular basis, till such time the event is resolved/closed, and to be disclosed to the stock exchanges with relevant explanations.

The Company shall also disclose all events or information with respect to subsidiaries which are material, if any, for the Company.

The Company shall disclose the details of the material events/ information, as provided in SEBI Circular dated September 9, 2015, in respect of details that need to be provided while disclosing events given in Para A and Para B of Part A of Schedule III of the Listing Regulations 2015 and amendments if any, from time to time.

Further, the Company shall make the necessary disclosure under Regulation 30A of the SEBI (LODR) Regulations as given below:

(i) Future agreements (Reg. 30A(1)): the parties to the agreements shall inform the listed entity about the agreement to which such a listed entity is not a party within two working days of entering into the agreement or signing an agreement to enter into such agreements.

(ii) The subsisting agreements shall be disclosed on the stock exchanges and on its website before the specified date (i.e August 14, 2013)

6. Authorization for disclosures

The Company Secretary **in consultation with Chairman/Managing Director/Executive Director** is authorized to determine materiality of an event/information and to make disclosures to stock exchanges. The contact details of the Company Secretary have been disclosed to the stock exchanges and also available on Company's website.

7. Disclosure on the website of the Company

All such events or information which has been disclosed to stock exchanges under the Listing Regulations shall be made available on the Company's website. Such events or information shall be placed on the website of the Company for a minimum period of five years.

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

8. Amendment

The Board of Directors of the Company reserves the right to amend or modify this Policy in whole or in part, as may be required, at any point of time.

Annexure -1

The following shall be the events, as specified in Para A of Part A of Schedule III of the Listing Regulations 2015 and as may be amended from time to time, upon occurrence of which the Company shall make disclosures to the Stock Exchanges.

Schedule III, Para A of Part A	Provision	Timeline
1	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s), the whole or substantially the whole of the undertaking or subsidiary or sale of the stake in associate company of the listed entity or any other restructuring	Within 12 hours*
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.	Within 12 hours*
3	New Ratings(s) or Revision in Rating(s)	Within 24 hours
4	Outcome of Meetings of the Board of Directors, within 30 minutes of the closure of the meeting, held to consider : <ol style="list-style-type: none"> 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 company from stock exchange(s) 	Timeline as specified in sub-para 4 of Para A of Schedule III.
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 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.	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours

Schedule III, Para A of Part A	Provision	Timeline
		(for agreements where listed entity is not a party).
5A	<p>Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements:</p> <p>Provided that such agreements entered into by a Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of these regulations.</p>	<p>Within 12 hours * (for agreements where listed entity is a party);</p> <p>Within 24 hours (for agreements where listed entity is not a party).</p>
6	Fraud/defaults by promoter or key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management or subsidiary or arrest of key managerial personnel, senior management or promoter or director whether occurred within India or abroad.	Within 24 hours
7	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.),senior management, Auditor and Compliance Officer	<p>Within 12 hours * (except in case resignation);</p> <p>Within 24 hours (in case of resignation)</p>
7A	In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor	Timeline as specified in sub-para 7A of Para A of Schedule III.
7B	Resignation of independent director including reasons for resignation	Timeline as specified in sub-para 7B of Para A of Schedule III.
7C	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director.	Timeline as specified in sub-para 7C of Para A of Schedule III.
7D	In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such	Within 12 hours*

Schedule III, Para A of Part A	Provision	Timeline
	indisposition or unavailability, shall be disclosed to the stock exchange(s).	
8	Appointment or discontinuation of share transfer agent	Within 12 hours*
9	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.	Within 12 hours*
10	One time settlement with a bank	Within 24 hours
11	Winding-up petition filed by any party/creditors	Within 24 hours
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.	Within 12 hours*
13	Proceedings of Annual and extraordinary general meetings of the company	Within 12 hours*
14	Amendments to memorandum and articles of association of listed entity, in brief	Within 12 hours*
15	(a) Schedule of Analyst or institutional investor meet, and presentations on financial results made by the company to analysts or institutional investors. (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.	Timeline as specified in sub-para 15 of Para A of Schedule III.
16	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.	Within 24 hours
17	Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities: (a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; (b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.	Within 24 hours
18	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.	Within 24 hours
19	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:	Within 24 hours

Schedule III, Para A of Part A	Provision	Timeline
	(a) search or seizure; or (b) re-opening of accounts under section 130 of the Companies Act, 2013; or (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;	
20	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following: (a) suspension; (b) Imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called;	Within 24 hours
21	Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.	Within 12 hours*

Annexure -2

The following shall be the events, as specified in Para B,C,D of Part A of Schedule III of the Listing Regulations 2015 and as may be amended from time to time, upon occurrence of which the Company shall make disclosures to the Stock Exchanges, based on application of the guidelines for materiality.

Schedule III, Para B of Part A	Provision	Timeline
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	Within 12 hours*
2	Any of the following events pertaining to the listed entity: (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (ii) adoption of new line(s) of business; or (iii) closure of operation of any unit, division, or subsidiary (entirety or piecemeal)	Within 12 hours*
3	Capacity addition or product launch.	Within 12 hours*
4	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business	Within 24 hours
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	Within 12 hours * (for agreements where listed entity is a party); Within 24 hours (for agreements where listed entity is not a party).
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.	Within 24 hours
7	Effect(s) arising out of change in the regulatory framework applicable to the company	Within 24 hours
8	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.	Within 24 hours
9	Fraud/defaults etc. by employees of the Company which has or may have an impact on the Company.	Within 24 hours
10	Options to purchase securities including any ESOP/ESPS Scheme	Within 12 hours*
11	Giving of guarantees or indemnity or becoming a surety for any third party	Within 12 hours*
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals	Within 24 hours

13	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours*
Schedule III, Para C of Part A	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	Within 24 hours
Schedule III, Para D of Part A	Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.	Timeline as specified by the Board.