



Essel Propack Limited

POLICY FOR DETERMINATION OF MATERIAL EVENT OR INFORMATION

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has adopted this Policy for Determination of Material Event and KMP of the Company are authorized in this respect. Detail of contact person: Company Secretary, Tel: +2224819000/9200, Fax:2224963137, suresh.savaliya@ep.esselgroup.com, address: Top Floor, Times Tower, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400013

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1. INTRODUCTION

Securities and Exchange Board of India has issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide notification dated 2 September 2015 coming into effect from 1 December 2015. The said Regulation is in substitute of compliance requirement of listing agreements entered into with recognized Stock Exchanges in India in respect to listing of equity shares, debts and other securities. Said Regulation *inter alia* provides for disclosure of material events or information to the Stock Exchanges which would enable investors to make informed decisions.

In respect to disclosures, Regulation 30 read with Schedule III is divided in two parts. Part A prescribes events and information which are deemed as material and needs to be disclosed without any further criteria or materiality. Part B requires a listed entity to determine whether particular event is material or not by applying prescribed guidelines.

Regulation 30 requires a listed entity to disclose prescribed events or information to the Stock Exchanges in timely manner. Events and information prescribed in Para A of Part A of Schedule III are deemed to be material and needs to be disclosed to the Stock Exchanges.

Events specified in Para B of Part A of Schedule III, needs to be disclosed to stock exchanges if the same is considered as “Material” by applying materiality test and prescribed guidelines.

Regulation 30(4)(ii) provides that “The listed entity shall frame a policy for determination of materiality, based on criteria specified in this regulation, duly approved by its board of directors, which shall be disclosed on its website.”

2. PURPOSE

The purpose of this Policy is to outline procedures and practical guidelines that would be followed by the Company in compliance with the SEBI Regulations and applicable law and to provide indicative guidance in determining whether events are material or not and accordingly requirement of disclosures to the stock exchanges.

The Company is committed to fairness and transparency in dealing with all stakeholders and in ensuring compliance with applicable laws and regulations.

This Policy aims to provide guidance and direction to the Board and officials of the Company in relation to determination of material event or information that needs to be disclosed to the stock exchanges and relevant compliance.

To achieve these objectives, to maintain decency and to observe applicable regulation, in relation to disclosure of events and information relating to the Company, Essel Propack Limited implementing this Policy to be followed and observed as mentioned herein.

3. TITLE, COMMENCEMENT AND EXTENT

3.1 This Policy is called “Policy for Determination of Material Event or Information” or the “Policy”.

3.2 This Policy shall come into force from 1 December 2015.

This Policy has been approved by the Board in its meeting held on October 29, 2015 and the same shall come into effect from 1 December 2015 or from such other date as per the Regulations coming into effect and applicable.

4. DEFINITIONS AND INTERPRETATION

In this Policy, except where the context otherwise requires, the following words and expressions shall have the following meaning:

4.1 **“Board”** or **“Board of Directors”** means the Board of Directors of the Company.

4.2 **“Company”** or **“Essel”** means **Essel Propack Limited**, registered in India under the Companies Act 1956 having CIN L74950MH1982PLC028947.

4.3 **“Key Managerial Personnel”** or **“KMP”** shall have the same meaning as assigned to it under Section 2(51) of the Companies Act, 2013.

4.4 **“Managing Director”** or **“MD”** means the Director of the Company appointed as such or in his absence Executive Director or any Director designated by the Board for the purpose of this Policy.

4.5 **“Regulation”** or **“Listing Regulation”** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended or re-enacted from time to time.

4.6 **“Stock Exchanges”** mean Indian stock exchanges which are recognized by the Central Government or SEBI and where Securities of the Company are listed.

- 4.7 **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof, which includes, *inter alia*, shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature of the Company as may be issued/allotted from time to time.
- 4.8 **"SEBI"** means Securities and Exchange Board of India constituted under SEBI Act 1992 or similar authority.
- 4.9 The words importing the singular include the plural and *vice versa* and pronouns importing a gender include each of the masculine, feminine and neuter genders and shall be interpreted in the wide sense in spirit of this Policy.

5. **EVENTS PER SE MATERIAL AS PER THE REGULATION**

The Company shall disclose the details about the events or information as prescribed in Para A of Part A of Schedule III of the Regulation, as may be relevant and applicable to the Company, in compliance with Regulation 30 without applying guidelines / criteria of materiality.

6. **AUTHORITY TO DETERMINE MATERIAL EVENT OR INFORMATION**

Managing Director and Chief Financial Officer of the Company and any other KMP as may be authorized by the Board (**the Designated Personnel**) shall be the authority to determine the materiality of any event or information, classify it as Material, and decide the details and appropriate time at which disclosure is to be made to the Stock Exchanges. Primarily the Designated Personnel shall determine about the disclosure as described herein. However, whenever necessary or when circumstances warrant, the Board of the Company shall determine about the material event or information and relevant disclosure and compliances.

Disclosures, decisions or matters in relation to this Policy will be communicated to the Stock Exchanges by the Company Secretary or official of the Company, as per the instructions of the Board / Designated Personnel.

7. **DETERMINATION OF MATERIAL EVENT OR INFORMATION**

Whenever any event or information arises as prescribed in Para B of Part A of Schedule III of the Regulation (Reproduced in Annexure 1), the Designated Personnel will determine whether such event or information is material or not and take a view on materiality of event that qualifies for disclosures, appropriate time and detail for disclosure and further update in this respect to the Stock Exchanges or any other authority as may be necessary.

In determining the materiality of event or information, the Designated Personnel or the Board will consider the following guidelines or criteria, as may be relevant or context so requires.

7.1 Guidelines under the Regulation 30(4)

- (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, which 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 listed entity, the event / information is considered material.

7.2 Other guiding factors / criteria

Materiality should be determined on a case to case basis depending on the specific facts and circumstances relating to the event / information. A particular event/information would be considered as material in nature keeping in view one or more of the following factors / criteria, as the Designated Personnel thinks appropriate and relevant.

- (a) Event / Information which have bearing on performance or operation of the Company significantly.
- (b) In some cases, to ascertain materiality, the Designated Personnel, shall frame their opinion on a case to case basis, based on specific facts and circumstances relating to the information/event and while doing so, it may consider various factors viz (i) whether non-disclosure can lead to creation of false market in the securities of the Company or (ii) whether there would be a significant impact on the performance of the Company or (iii) whether there would be any direct impact on the reputation of the Company.
- (c) Any confidential information which if disclosed, is likely to put at risk the business interest of the Company shall not be disclosed. In such cases, qualified disclosure may be made to the Stock Exchanges.

8. CLARIFICATIONS, AMENDMENT ETC

- 8.1 This Policy has been framed in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any amendment in the

Regulations, direction or clarification by SEBI, provisions of this Policy shall be read and implemented in context of such amended or clarified positions.

- 8.2 This Policy may be modified, amended or substituted by the Board as may be necessary.
- 8.3 This Policy is approved by the Board of Directors and signed for authentication on its behalf as under.

Annexure 1

Extracts of Para B of Part A of Schedule III of the Listing Regulation 2015

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30).

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.