



## **BRITANNIA INDUSTRIES LIMITED**

### **POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS**

#### **1. BACKGROUND**

Britannia Industries Limited (the Company) is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company's securities are listed on the BSE Limited (BSE), National Stock Exchange of India Limited (NSE). The Company will comply with the continuous disclosure obligations as mandated by the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations) that come into effect from December 1, 2015.

The Policy on Determination of Materiality of events or information that warrant disclosure to investors has been framed in compliance with the requirements of the Listing Regulations.

The words and expressions used which are not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable Laws, and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

#### **2. OBJECTIVE OF THE POLICY**

The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other legislations (In India or Overseas).
- b. To ensure that the information disclosed by the Company is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of Material / Price sensitive information within the context of the Company's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

### **3. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION**

The Company shall determine the materiality of an event / information for the purpose of disclosure to Stock Exchanges by applying the following criterion:

- (a) that event or information is, in any manner, unpublished price sensitive information;
- (b) the omission of disclosure of its is likely to result in discontinuity or alteration of event or information already available publicly;
- (c) the omission of its disclosure is likely to result in significant market reaction if the said omission came to light at a later date; and
- (d) Events or information not covered by above, but it is considered as being material in the opinion of the Board of Directors of the Company.

### **4. AUTHORITY TO KEY MANAGERIAL PERSONNEL**

The Board of Directors of the Company have authorised the Managing Director, Chief Financial Officer and the Company Secretary (Authorized Persons) to determine the materiality of an event or information and to make appropriate disclosure on a timely basis. The Authorised Persons are also empowered to seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.

The Authorized Persons will ascertain the materiality of such event or information based on the above guidelines. On completion of the assessment, the Authorized Persons shall make appropriate disclosure(s) to the Stock Exchanges.

### **5. DISCLOSURES OF EVENTS OR INFORMATION**

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- a. Events or information specified in Para A of part A of Schedule III of the Listing Regulations shall be disclosed as soon as reasonably possible and not later than twenty-four hours from the occurrence of the same. **(Annexure A)**.
- b. Make disclosure of events specified in Para B of part A of Schedule III of the Listing Regulations, based on application of Guidelines for materiality, as specified in this Policy **(Annexure B)**.
- c. Review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- d. Determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- e. Disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- f. Disclose all events or information with respect to the subsidiaries which are material for the Company.

- g. Consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- h. Provide specific and adequate reply to all queries raised by stock exchange with respect to any events or information. Further, on its own initiative, may confirm or deny any event or information to stock exchange reported in the media.

## **6. POLICY REVIEW**

The Authorized Persons may review the Policy from time to time. Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

## **7. EFFECTIVE DATE**

The Policy as approved by the Board of Directors shall be effective from December 1, 2015.

## **8. WEBSITE**

The Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the archival policy of the Company.

## **9. CONTACT DETAILS**

Questions or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary and Compliance Officer, who is in charge of administering, enforcing and updating this policy.

Mr. T.V. Thulsidass  
Company Secretary and Compliance Officer  
Britannia Industries Limited,  
Prestige Shantiniketan, The Business Precinct, Tower C,  
16th Floor, Whitefield Main Road, Mahadevpura Post,  
Bangalore-560048  
Phone: 080-30787232  
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## **Annexure A**

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

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;

Explanation. - '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 Company 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 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 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**

### **Illustrative list of events which shall be disclosed upon application of the guidelines for materiality referred to in :**

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, 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 holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.