

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

OBJECTIVE OF THE POLICY

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The objective of this policy is to disseminate the timely and accurate information about the material events to the Stock Exchanges promptly and with due authorization, such that the present and potential investors are able to take informed decision relating to their investment in the Company.

The Board of Directors of the Company shall authorize one or more Key Managerial Personnel (KMP) for the purpose of determining materiality of an event or information for the purpose of making disclosures.

DEFINITIONS

“Company” means **CHADHA PAPERS LIMITED**.

b) “Companies Act” means the Companies Act, 2013.

c) “Board of Directors” means the Board of Directors of **Chadha Papers Limited**.

d) “Whole Time Director” means the Whole Time Director of the Company.

e) “Stock Exchange” means a stock exchange which is recognized by the Central Government or Securities and Exchange Board of India under Section 4 of Securities Contracts (Regulation) Act, 1956.

f) “Listing Agreement” means the Listing Agreement entered with the Stock Exchanges includes amendments made thereof from time to time.

g) “Key Managerial Personnel” means the Key Managerial Personnel as defined under Section 2 (51) of the Companies Act, 2013.

h) “Compliance Officer” means the Company Secretary of the Company.

i) “Authorized Key Managerial Personnel” Authorized Key Managerial Personnel means Executive Director, Chief Financial Officer or Company Secretary & Compliance Officer of the Company, who are authorized, individually or jointly, for determining the materiality of an event or information that qualifies for disclosure and to decide the appropriate time and details of its disclosure to be made to the Stock Exchange(s).

j) “Material events” Material Events means the individual transaction or arrangement which, in the opinion of the Authorized Key Managerial Personnel is significant to the operations or performance of the Company as well as any price sensitive information.

k) “Policy or This Policy”: Policy or this policy means “Policy for determination of Materiality of Events or Information”.

AUTHORITY TO DISSEMINATE THE INFORMATION ON MATERIAL EVENTS:

The following Key Managerial Personnel are severally authorized to decide on the material events and disseminate the Material Events to the Stock Exchanges:

1. Whole-time Director;
2. Chief Financial Officer; and
3. Company Secretary.

CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS OR 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) above are not applicable, an event/information may be treated as being material, if the event or information have an impact over 10% of total revenue or over 10% of net worth whichever is lower, on the Company.

The policy for determination of materiality, duly approved by the Board of directors shall be disclosed on Company's website.

REPORTING AND DISCLOSURE

Regulation 30 of SEBI [LODR] Regulations, 2015, has categorized material events and information which will have bearing on the performance/operations of the Company. The disclosures of events and information which the Company shall make to the Stock Exchange(s) as broadly categorized under these regulations are as under –

- i. Events specified in **Annexure - I** shall be deemed to be material and have to be necessarily disclosed without applying any test of materiality.
- ii. Events specified in **Annexure –II** should be disclosed if considered material.
- iii. Any other material event or information which has not been covered under Annexure- I & Annexure - II above, shall also be disclosed to the Stock Exchanges upon application of guidelines for materiality to be determined by the authorised Key Managerial Personnel on the basis of criteria as mentioned in Regulation 30(4).

REVIEW AND AMENDMENT

The Board shall monitor, review and amend the Policy from time to time, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued under Companies Act 1956, Companies Act 2013, Rules, Regulations, Circulars or guidelines made thereunder, by Securities and Exchange Board of India under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any of its Regulations, Guidelines, etc., not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

The following events are treated as material events which shall be disclosed to the Stock Exchanges as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information:

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.
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, Whole-time 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 ("CDR").
9. One time settlement (OTS) 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 Extra-ordinary 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;

The following events are treated as material events which shall be disclosed to the Stock Exchanges as soon as reasonably possible and not later than thirty Minutes from the of the closure of the Board Meeting:-

- 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 the Stock Exchange(s).

EVENTS WHICH SHALL BE DISCLOSED UPON 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 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 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 the 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 listed entity to appraise its position and to avoid the establishment of a false market in such securities.

CHADHA PAPERS LIMITED

Policy on Criteria for determining Materiality of Events

Authorised Key Managerial Personnel to determine Materiality of events are as follows:

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|----------------------------|--------------|
| 1. Whole Time Director | 0120-4106161 |
| 2. Chief Financial Officer | 0120-4120849 |

The person responsible to make disclosure and information to Stock Exchange:

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| 1. Company Secretary | 0120-4180500 |
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