



Dhampur Sugar Mills Limited

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION

Approved by Board of Directors at its meeting held on 9th February, 2016

Background

SEBI has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) on September 2, 2015. As per Regulation 30 of the Listing Regulations, every listed entity is required to frame a policy for determination of materiality of events or information duly approved by its Board of Directors, which would be disclosed on its website.

Definitions and Interpretations

‘Board’ shall mean the Board of Directors of the Company.

‘Company’ shall mean Dhampur Sugar Mills Limited

Unless the context otherwise requires, words or expressions contained in this Policy and not defined here, shall bear the same meaning as in the Listing Regulations and in the absence of its definition/explanation/meaning therein, as per the Companies Act, 2013 (including Rules made thereunder), as the case may be.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Objective

The Company is a listed entity and is obliged to comply with the disclosure requirements under the Listing Regulations.

The objective of the Policy is to lay down the criteria for determination of materiality of events/information which shall be disclosed to the stock exchanges where the equity shares of the Company are listed (“the Stock exchanges”). This policy also lays down the procedure for archival of information on the website of the Company.

Basic Principles

The policy is based on the following basic principles :

Materiality : To ensure that all material events/information become public or made generally available.

Timeliness : To make disclosure of material events/information promptly without delay in accordance with the Policy following the material events/information that warrants disclosure.

Transparency : To make disclosure of material events/information with sufficient details that boosts investor confidence.

Material Events/ Information And Criteria

Events or Information specified in Para A of Part A of Schedule III of the Listing Regulations shall be deemed to be material. These events shall be disclosed without applying the test of materiality.

Events / information as are specified in Para B of Part A of schedule III of the Listing Regulations shall be disclosed by the company to the Stock Exchanges, if considered material, based on any of the following criteria:

1. **Qualitative Criteria :** An event or information which meets any of the following criteria shall be considered material :
 - 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 ;
2. **Board Decision :** An event/information if treated as material in the opinion of the Board.
3. **Quantitative Criteria :** Where the value involved in an event or the impact of an event exceeds 10% of the gross turnover or revenue or total income ; or exceeds 20% of the networth , which ever is lower.

Note: The above thresholds shall be determined on the basis of audited consolidated financial statements of last financial year. If for the last financial year, the Company was not required to prepare consolidated financial statements, then the threshold shall be determined on the basis of audited standalone financial statements of last financial year.

Events/information with respect to subsidiaries which are material for the company shall also be disclosed to the Stock Exchanges.

The Company shall also disclose to the Stock Exchanges :

- a. Any other event/information 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 security holders of the Company to appraise its position and to avoid the establishment of a false market in such securities.
- b. Any other event/information which is available with the Company and not indicated in Para A or B of part A of Schedule III of the Listing Regulations , but which may have material effect on it.

Contents and time for disclosure

Disclosures shall be made upon occurrence of a material event/information. The time for disclosure shall be in accordance with the Listing Regulations and other SEBI Circulars. The Company shall provide such details while making a disclosure of events /information as are mentioned in the circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 issued by SEBI alongwith such other details as may be required by SEBI/the Stock Exchanges from time to time or as may be prescribed under the Listing Regulations.

Authorization for determining materiality of an event or information:

The Company Secretary of the Company is hereby authorised for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s) under regulation 30(5) of the Listing Regulations.

Where the Company Secretary/the Board are not certain about materiality of an event/information , they may refer the matter for an external legal advice /expert opinion.

The Key Managerial Personnel of the Company are severally authorised (suo moto or on request of any stock exchange) to confirm/deny any reported event/information to the Stock Exchanges.

Disclosure

The Company shall simultaneously disclose on its website (www.dhampur.com) all such events or information which has been disclosed to the Stock Exchanges under this policy or under the Listing Regulations , and such disclosures shall remain hosted on the website of the Company for a minimum period of three years and thereafter as per the following archival policy of the Company.

Archival Policy

Disclosures pertaining last three financial years and current financial year shall remain hosted on the website for easy viewing/printing , preferably under different urls (Uniform Resource locator). Thereafter depending upon the nature , materiality , impact and relevance of theevent/information, the relevant disclosure can continue to remain hosted on the Company's website for a longer period of time as may be decided by the Company Secretary from time to time.

Review

The Board may review this policy as and when it deems appropriate. This policy is being formulated keeping in mind the applicable laws, rules, regulations and standards in India. If there is an amendment in such laws, rules, regulations and standards, allowing or relaxing what was previously not allowed under any laws, rule, regulations and standards, then this policy shall be deemed to have been amended to the extent of such amendment . Also if due to subsequent amendment in the laws, this policy or any part hereof becomes inconsistent with the law, the provisions of law shall prevail and this policy shall be deemed to be amended to that extent.