



ALBERT DAVID LIMITED

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POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION FOR DISCLOSURE TO STOCK EXCHANGES

[THIS REVISED POLICY SHALL BE EFFECTIVE FROM APRIL 1, 2019]

1. BACKGROUND

The "Policy for Determination of Materiality of Events and Information for Disclosure to Stock Exchanges" ("the Discloser Policy" or "the Policy") was initially adopted by the Board of Directors ("the Board") of Albert David Ltd. ("the Company") on 14th March, 2016, in pursuance of the continuous disclosure requirements as mandated under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "Listing Regulations") read with the Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 issued by Securities and Exchange Board of India ("the SEBI").

In line with the amendments to the Listing Regulations, inter-alia, vide the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board of Directors has revised the existing policy and adopted this revised Policy in its meeting held on 14th February, 2019, which shall be applicable effective 1st April, 2019. This Policy shall be applicable to all events in the Company, as and when they come under the criteria enumerated in the Policy.

2. OBJECTIVE

The objectives of this Policy is to ensure that the Company complies with the disclosure obligations as laid down under the Listing Regulations:

- To ensure that all investors have equal access to important information that may affect their investment decisions;
- To ensure that adequate and timely information is provided to investors;
- To avoid establishment of false market in the securities of the Company; and
- To communicate the principles of materiality based on which the Company shall make disclosure of events or information.

3. DEFINITIONS

- a. "Act" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof for the time being in force;
- b. "Board of Directors" or "Board" means the Board of Directors of Albert David Ltd.

- c. **"Company"** means Albert David Ltd.
- d. **"Key Managerial Personnel"** means key managerial personnel as defined Section 2(51) of the Act;
- e. **"Listing Regulations" or "Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued thereunder, including any modifications, clarifications, circulars or re-enactment thereof;
- f. **"Material Event" or "Material Information"** shall mean such event or information as set out in this policy and the words, "material" and "materiality" shall be construed accordingly;
- g. **"Policy" or "Disclosure Policy"** means the Policy for Determination of Materiality of Events and Information for Disclosure to Stock Exchanges as may be amended from time to time;
- h. **"Schedule"** means Schedule III of the Listing Regulations;
- i. **"Stock Exchange"** means recognized Stock Exchanges on which the shares/securities of the Company are listed.

Any other term not defined herein shall have the same meaning as defined in the Act, the Listing Regulations, or any other applicable law or regulation to the extent applicable to the Company.

4. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Regulation 30 of the Listing Regulations mandates disclosure of all events specified in Para A of Part A of Schedule III of Regulations to the Stock Exchanges as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information except for events stated in Item No. 5(A)(d) which shall be disclosed within thirty minutes of the conclusion of the Board Meeting. These events are deemed to be material events and should be disclosed without applying the test of materiality. In case the disclosure is made after twenty four hours, the rationale for the delay will be provided along with such disclosures.

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. For disclosure of events specified in Para B of Part A of Schedule III of the Regulations, the following criteria shall be considered by the Board (including persons authorised by the Board in this regard) for determining whether the events are material or not :

- Where the omission of an event or information is likely to result in:
 - Discontinuity or alteration of event or information already available publicly; or
 - A significant market reaction if the said omission came to light at a later date; or
- Where the impact of such event / information on the Company exceeds or is likely to exceed 10% of its gross turnover or 10% of its net worth, whichever is higher, based on the latest audited annual financial statements of the Company

This Policy shall also apply to the events to which neither Para A nor Para B of Part A of Schedule III applies but which have a material effect on the Company and considered to be material by the Board or Authorised Persons of the Company.

5. EVENTS AND/OR INFORMATIONS TO BE DISCLOSED

A. Events which shall be disclosed without any application of the guidelines for materiality (deemed to be material events)

- a. 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;

For the above purpose "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 -
 - o 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;
 - o 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.
- b. 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.;
- c. Revision in credit rating(s);
- d. 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:
- 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;
 - any cancellation of dividend with reasons thereof;
 - the decision on buyback of securities;
 - the decision with respect to fund raising proposed to be undertaken;
 - increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - re-issue 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;
 - short particulars of any other alterations of capital, including calls;
 - financial results;
 - decision on voluntary de-listing by the Company from stock exchange(s).
- e. 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;
- f. Fraud/defaults by Promoter or Key Managerial Personnel or by Company or arrest of Key Managerial Personnel or Promoter;
- g. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer;

- h. Resignation of auditor including reasons for resignation: In case of resignation of the auditor, 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.
- i. In case of resignation of an Independent Director: within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges:
 - Detailed reasons for the resignation of independent directors as given by the said director;
 - The independent director shall, along with the detailed reasons for resignation, also provide a confirmation that there are no other material reasons other than those provided and such confirmation shall also be disclosed by the Company to the stock exchanges.
- j. Appointment or discontinuation of share transfer agent;
- k. Corporate debt restructuring;
- l. One-time settlement with a bank;
- m. Reference to BIFR and winding-up petition filed by any party /creditors;
- n. 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;
- o. Proceedings of Annual and Extra-ordinary General Meetings of the Company;
- p. Amendments to Memorandum and Articles of Association of Company, in brief;
- q. Schedule of Analyst or institutional investor meet organized by the Company and presentations on financial results made by the Company to analysts or institutional investors at such meets;

The Company will ensure that no material information is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders. In the unlikely event of any material information being disclosed selectively, inadvertently or otherwise, at a meeting with analysts or at any investor relations conference, such information would be promptly disclosed to the stock exchanges.

- r. Re-classification of Promoter as Public Shareholder.
- s. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons)

Regulations, 2016;

- Appointment/ Replacement of the Resolution Professional;
- Prior or post-facto intimation of the meetings of Committee of Creditors;
- Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- Number of resolution plans received by Resolution Professional;
- Filing of resolution plan with the Tribunal;
- Approval of resolution plan by the Tribunal or rejection, if applicable;
- Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- Any other material information not involving commercial secrets.

B. Illustrative list of events which shall be disclosed upon application of the guidelines for materiality

- a. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;
- b. 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);
- c. Capacity addition or product launch;
- d. Awarding, bagging/ receiving, amendment or termination of awarded / bagged orders/contracts not in the normal course of business;
- e. 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;
- f. 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.;
- g. Effect(s) arising out of change in the regulatory framework applicable to the Company;
- h. Litigation(s) / dispute(s) / regulatory action(s) with impact;
- i. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
- j. Options to purchase securities including any ESOP/ESPS Scheme;
- k. Giving of guarantees or indemnity or becoming a surety for any third party;
- l. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;
- m. 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.

The Company will also disclose to the stock exchanges, events or information with respect to its subsidiary, if any, which are material for the Company.

6. DISCLOSURE PROCESS

- a. Any event purported to be reportable under Regulation 30 of the Listing Regulations shall be informed to the Managing Director & CEO / Chief Financial Officer / Company Secretary of the Company on an immediate basis with adequate supporting data / information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation for the purposes of disclosure.
- b. The Managing Director & CEO / Chief Financial Officer / Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Listing Regulations and this Policy. After ascertaining the materiality of events, any one of the Chief Financial Officer / Company Secretary of the Company shall submit disclosure to the stock exchanges.
- c. Required details of the Key Managerial Personnel of the Company who shall be severally responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Listing Regulations and this Policy are mentioned in Para No. 7 of this Policy.
- d. All disclosures under Regulation 30 of the Regulations shall be available on the website of the Company for a period of 5 years.

7. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company have severally authorised the following key managerial personnel of the Company (the “Authorised Persons”) to determine Materiality of any event or information and ensure timely disclosures of the same to stock exchanges. The Authorised Persons are also empowered to seek appropriate legal counsel or guidance, as and when necessary in this regard, as they may deem fit.

Contact details of persons authorized to determine materiality of an event/information pursuant to the Company’s Policy for Determination of Materiality of Events and Information for Disclosure to the Stock Exchanges:

Name	Designation	Phone No.	Email ID
Dr. T. S. Parmar	Managing Director & CEO	033-2262-8436/8456 /8492; 2230-2330	tsparmar@adlindia.in
Mr. R. Bhattacharya	Chief Financial Officer	033-2262-8436/8456 /8492; 2230-2330	rbhattacharya@adlindia.in
Mr. Chirag A. Vora	Company Secretary & Compliance Officer	022-4924 0463/64	cvora@adlindia.in

8. AMENDMENTS

The Board may, subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. Any amendment / modification in the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

9. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Act or the Listing Regulations, or any other statutory enactments or amendment thereof, the provisions of such statutory provision shall prevail over the conflicting provision of this Policy and the rest of the Policy shall remain in force.

10. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company www.albertdavidindia.com. Further, the Company shall disclose on its website all such events or information which has been disclosed to the stock exchange(s) under Regulations 30 and such disclosures shall be kept available on the website for a period of 5 (five) years and thereafter as per the Archival Policy of the Company.

For ALBERT DAVID LIMITED
C. A. VORA
Company Secretary