

# **HEMANG RESOURCES LIMITED**

## **POLICY ON DISCLOSURE OF MATERIAL EVENTS**

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### **1. Background – Policy on Reporting of Material Events:**

The Securities and Exchange Board of India has issued Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 (“**Listing Regulations**”) on September 02, 2015 to be effective from December 01, 2015. The Regulation 30 of these Listing Regulations deal with disclosure of Material Event by Listed entity specified under Part A of Schedule III of the Listing Regulations. Further, SEBI has issued a Circular on ‘Continuous Disclosure Requirements for Listed Entities’ on September 09, 2015 indicating the details that need to be provided while disclosing above events.

### **2. Purpose:**

The purpose of the policy is as follows: -

- i) Determine the materiality of an event based on the criteria specified under Regulation 30(4) of the Listing Regulations that qualifies for disclosures under Regulation 30;
- ii) To decide appropriate time when the above mentioned disclosures shall be made to the stock exchanges based on the guidance provided in the SEBI circulars issued from time to time;
- iii) To decide the details of disclosures to be made that is in the best interest of the present and potential investors based on the guidance provided in the SEBI circulars issued from time to time; and
- iv) Roles and Responsibility of all stakeholders for facilitating in the determination of material event and communication to the Stock exchanges.

### **3. Disclosure of information:**

The Listing Regulations divide the events that need to be disclosed broadly in two categories:

1. The events that have to be necessarily disclosed without applying any test of materiality are indicated in Para A of Part A of Schedule III of Listing Regulations (enclosed as **Annexure - I**).
2. Part B of Part A of Schedule III indicates the events that should be disclosed by the listed entity, if considered material (enclosed as **Annexure - II**)

As per Regulation 30(3) of the Listing Regulations, the Company shall make disclosure of events specified in Para B, based on the **application of guidelines for materiality**, as specified in Regulation 30(4), as follows: -

- 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) 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.

In view of sub-clause 'c' above, for determination of material event, the Company shall be guided by its internal guidelines for determining the impact and materiality of such events on reputation or normal functioning of Company and/or impact on the profitability of the Company.

#### **4. Competent Authority for making disclosure**

The Listing Regulations requires the Board of Directors to authorize one or more Key Managerial Personnel for the purpose of determining materiality of an event or information which qualifies for disclosure under Regulation 30 of the Listing Regulations within the time frame provided under said regulation. The Board of Directors has approved CEO and Compliance Officer of the Company to determine the materiality of an event or information

#### **5. Contact detail of Authorized Key Managerial Personnel**

<b>Name</b>	<b>Designation</b>	<b>Contact Detail</b>
Ms. Komal Thakker	Whole Time Director & CEO	Flat A2, Harington Court, 99, Harington Road, Chetpet Chennai-600031 <a href="mailto:cs@bhatiacoalindia.com">cs@bhatiacoalindia.com</a> Ph: +44 - 4590050
Ms. Saloni Kochar	Company Secretary & Compliance Officer	Flat A2, Harington Court, 99, Harington Road, Chetpet Chennai-600031 <a href="mailto:cs@bhatiacoalindia.com">cs@bhatiacoalindia.com</a> Ph: +44 - 4590050

#### **6. Review of the Policy**

In Case there are any regulatory changes requiring modifications to the Policy, the Policy shall be reviewed and amended at the next possible opportunity. However, the amended regulatory requirements will supersede the Policy, till the time, the policy is suitably amended.

**Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30)**

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.

Explanation.- For the purpose of this sub-para, the word '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 listed entity 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 made under sub-clause (a) of clause (ii) of the Explanation to this sub-para 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 Rating(s).
  4. Outcome of Meetings of the board of directors: The listed entity 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 listed entity 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 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.
  6. Fraud/defaults by promoter or key managerial personnel or by listed entity 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 listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

**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.

C. 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 listed entity 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.

D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.