

# BALRAMPUR CHINI MILLS LIMITED

## Policy for preservation of documents

### 1.0 Background

SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”). These Regulations shall come into force w.e.f. December 1, 2015.

Regulation 9 of the Listing Regulations requires every listed entity to have a policy for preservation of documents approved by its Board of Directors.

### 2.0 Effective date

This Policy shall be effective from December 1, 2015.

### 3.0 Definitions and interpretations

- 3.1 ‘Act’ shall mean the Companies Act, 2013 as amended from time to time and shall include Rules, Regulations and Secretarial Standards made thereunder or pursuant thereto.
- 3.2 ‘Board’ shall mean Board of Directors of the Company.
- 3.3 ‘Company’ shall mean ‘Balrampur Chini Mills Ltd.’
- 3.4 ‘Company Secretary’ shall mean the person appointed as the Company Secretary of the Company in terms of the Act.
- 3.5 ‘Documents’ shall include Minutes, Returns, Registers, Books, Forms etc. required to be filed and maintained under the Act or under SEBI laws.
- 3.6 ‘Registered Office’ shall mean the Registered Office of the Company, within the meaning of Section 12 of the Act.
- 3.7 ‘SEBI Laws’ shall include SEBI Act, 1992, Securities and Contract (Regulation) Act, 1956, Depository Act, 1996, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, SEBI (Investor Protection and Education Fund) Regulations, 2009, SEBI (Buy Back of Securities) Regulations, 1998, SEBI (Depositories and Participants) Regulations 1996, SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and all other rules and regulations made by SEBI from time to time.



All words and expressions used but not defined in this Policy, but defined in the Act or the Listing Regulations shall have the same meaning as respectively assigned to them in such Act or Regulations, 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.

#### **4.0 Objective**

The Objective of this Policy is to integrate, harmonise and standardise the procedure and manner for preservation and destruction of documents which are required to be prepared or maintained under the SEBI Laws and the Act.

This Policy contains guidelines to identify documents that are required to be maintained and the period for which those documents should be retained.

#### **5.0 Procedure**

All documents shall be maintained in good order and as far as feasible under lock and key. If authorised by the Board, documents may also be maintained in electronic form, subject to the provisions of the SEBI laws and the Act.

#### **6.0 Custody**

6.1 Following documents/ registers/ books shall be kept in the custody of the Company Secretary:

- i) Minutes Books;
- ii) Register of Members along with the index;
- iii) Foreign Register of Members;
- iv) Register of Debenture Holders or any other security holders along with the index;
- v) Foreign Register of Debenture Holders or any other security holders;
- vi) Notices received in Form MBP-1;
- vii) Register of loan, guarantee, security and acquisition (MBP-2);
- viii) Register of investments in shares or other securities beneficially held by the company but which are not held in its own name (MBP-3);
- ix) Register of Deposit;
- x) Register of contracts or arrangements in which directors are interested (MBP-4);
- xi) Register of Renewed and Duplicate Share Certificates (SH-2).
- xii) Register of Charges (CHG-7);
- xiii) Register of Directors Attendance in Board Meeting and Committee meetings;
- xiv) Register of Directors and KMP (Section 170).
- xv) Register of Employee Stock Option (SH-6);
- xvi) Register of Buy back of securities (SH-10);





- xvii) All books and documents relating to the issue of share certificates in case of disputed cases;
- xviii) Register of Transfer;
- xix) Register of Records and Documents destroyed;
- xx) Such other registers/records as are required to be maintained under the Act.

The Board may, however, authorise any other person / director for this purpose.

- 6.2 Postal ballots and all other papers relating to postal ballot including voting by electronic means, upon receipt from the scrutinizer shall be kept in the custody of the Company Secretary or such other person as may be authorised in this behalf by the Board.
- 6.3 The Company Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates, including the blank forms of share certificates.
- 6.4 All documents, papers, returns and correspondences required to be maintained under the SEBI Laws shall be kept in the custody of the Company Secretary or any other person authorised by the Board for this purpose.

## **7.0 Period and Place of Preservation**

### **7.1 The following Registers/documents shall be kept permanently :**

- i) Minutes of all Meetings. In case of merger or amalgamation, Minutes of all Meetings of the transferor company, as handed over to the Company;
- ii) Register of Members (MGT-1) along with the index;
- iii) Foreign Register of Members, if any, unless it is discontinued and all the entries are transferred to any other foreign register or to the principal register;
- iv) Register of Loan, Guarantee, Security and Acquisition (MBP-2);
- v) Register of investments in shares or other securities beneficially held by the company but which are not held in its own name (MBP-3);
- vi) Register of Contracts or Arrangements in which directors are interested (MBP-4);
- vii) Register of Renewed and Duplicate Share Certificates (SH-2);
- viii) All books and documents relating to the issue of share certificates in case of disputed cases;
- ix) Register of Charges (CHG-7);
- x) Register of Directors Attendance in Board Meeting and Committee meetings;
- xi) Register of Directors and KMP (Section 170);
- xii) Register of Transfer;
- xiii) Register of Records and Documents destroyed;
- xiv) Statutory Audit Reports and Annual Financial Statements.



The Minute Books of general meetings and registers mentioned in Serial No. (i), (iv), (v), (vi), (vii), (ix) & (xiv) shall be kept at the Registered Office. The Minutes Books of the Board including committee meetings and registers mentioned in Serial No.(ii), (iii), (viii), (x), (xi), (xii) & (xiii) shall be kept at the Registered Office or such other place as the Board shall decide in compliance with the Act and the Articles of Association of the Company.

**7.2 The following Registers/documents shall be kept for a minimum period of 8 years :**

- i) Office copies of Notices, Agenda, Notes on Agenda, scrutiniser's register, scrutiniser's report and other related papers;
- ii) In case of merger or amalgamation, office copies of Notices, Agenda, Notes on Agenda, scrutiniser's register, scrutiniser's report and other related papers of the transferor company, as handed over to the Company;
- iii) Register of debenture holders or any other security holders (MGT-2) along with the index –from the date of redemption of debentures or securities;
- iv) Foreign register of debenture holders or any other security holders, if any –from the date of redemption of such debentures or securities;
- v) Copies of all annual returns and copies of all certificates and documents required to be annexed thereto – from the date of filing with the Registrar, (Section 92 of the Act);
- vi) Register of deposit –from the financial year in which the latest entry is made in the register;
- vii) Books of account together with the vouchers relevant to any entry in such books of account – from the end of the financial years to which it relates;
- viii) Notices received in Form MBP-1 – from the end of the financial year to which it relates.
- ix) Register of Employee Stock Option (SH-6);
- x) Register of Buy back of securities (SH-10);
- xi) Register of Proxies.

The documents mentioned in Serial No.(i) to (vi) and (ix) to (xi) shall be kept at the Registered Office or such other place as the Board shall decide in compliance with the Act and the Articles of Association of the Company. The documents mentioned in Serial No.(vii) & (viii) shall be kept at the registered office of the Company.

Documents under Clause 7.2 (i) & (ii) shall be preserved after the minimum period of 8 years, if they remain current.

Registers/Records required to be maintained under the Act, but not expressly mentioned here, shall be maintained for a minimum period of 8 years.





### **7.3 Documents relating to incorporation**

The Company shall maintain and preserve at its Registered Office, copies of all documents and information as originally filed under the previous Companies Act, 1956, as far as possible, till its dissolution under the Act.

### **7.4 Postal ballot and all other related papers**

The postal ballot and all other papers relating to postal ballot including voting by electronic means shall be preserved for such period as prescribed under the Act.

### **7.5 Maintenance of share certificate forms and related books and documents**

All books and documents relating to the issue of share certificates, including the blank forms of share certificates shall be preserved in good order for not less than thirty years. All certificates surrendered to the Company shall immediately be defaced and be kept for a minimum period of three years from the date on which they are surrendered. However, this will not apply to cancellation of certificates of securities under section 6(2) of the Depositories Act, 1996.

### **7.6 Paid dividend warrants**

The paid dividend warrants, where returned to the Company by the Bank through whom dividend was paid, shall be kept for a period of 10 years after payment of the same by the Bank or for such other period as may be agreed to between the Company and the Bank.

### **7.7 Documents and returns under the various SEBI laws**

The Documents, papers, returns and correspondences required to be submitted maintained under the various SEBI laws shall be preserved for such period as mentioned in respective SEBI laws or if no period is prescribed, for a minimum period of 8 years.

The documents mentioned in clause 7.3 to 7.7 shall be shall be kept at the Registered Office or such other place as the Board may decide in compliance with the Act, SEBI laws and the Articles of Association of the Company.

## **8.0 Disposal of Registers/Documents**

The registers/ documents mentioned in Clause 7.2 to 7.7 may be destroyed in accordance with the provisions contained in the Act and the SEBI laws after approval with the Board and in presence of at least one Company Secretary in Practice or Chartered Accountant in Practice or Advocate. However, documents contained in Serial No.(ii) of Clause 7.2 shall be destroyed only after permission of the Central Government.



The Board shall review at least once in every two years, the list of documents that may be destroyed.

The Company shall maintain a Register of Records and Documents Destroyed containing the particulars of documents destroyed, the year to which it pertains, mode of destruction, etc. Each entry in this register shall be verified by the Company Secretary and countersigned by the Company Secretary in Practice or Chartered Accountant in Practice or Advocate.

The concerned employee shall be responsible for taking into account the potential impact on preservation/destruction of the documents in their work area and their decision to retain/preserve/destroy documents pertaining to their area of work.

## **9.0 Exclusion**

Documents/records in respect of which any investigation/enquiry is pending or in respect of which any legal proceeding is pending or which is part of any legal dispute are not covered under this Policy.

## **10.0 Review**

This Policy has been approved by the Board of Directors of the Company. The Board, however, 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, regulation 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.

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## BALRAMPUR CHINI MILLS LIMITED

### POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

#### 1.0 Background

SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”). These Regulations shall come into force w.e.f. December 1, 2015. The Listing Regulations are applicable to all listed entities.

Regulation 30(4)(ii) of the Listing Regulations requires every listed entity to have a policy, approved by its board of directors, for determination of materiality for making disclosures of events / information.

#### 2.0 Effective date

This policy has been approved by the Board of Directors of the Company and shall come into effect from December 1, 2015.

#### 3.0 Definitions and interpretations

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

‘Company’ shall mean ‘Balrampur Chini Mills Ltd.’

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 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.

#### 4.0 Objective

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

The Objective of this 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.

#### 5.0 Basic Principles

This 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 warrant disclosure.

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



## 6.0 Material Events / Information and Criteria

Events specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events and the Company shall make disclosure of such events without application of any materiality criteria.

Events / information as are mentioned 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:

**a) Quantitative Materiality Thresholds:** Where the value involved in an event or the impact of an event exceeds 5% of the gross turnover or revenue or total income; or exceeds 20% of the networth, whichever is lower.

Note: 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.

**b) Qualitative Materiality Criteria:** Where the omission of disclosure of such event or information is likely to result in discontinuity or alteration of event / information already available publicly or result in significant market reaction, if the said omission became public at a later date.

Note: Breaching of circuit limit shall be considered as significant market reaction.

**c) Board Decision:** An event / information if treated as material in the opinion of the Board.

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 -

- i. 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.
- ii. 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.

## 7.0 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 relevant 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 along with 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.





## 8.0 Authority

The Company Secretary of the Company appointed in terms of the Companies Act, 2013, is authorised to determine the materiality of an event or information based on criteria mentioned in this policy and is also authorised to make the necessary disclosures to the Stock Exchanges under Regulation 30 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 specific roles and responsibilities of the Company Secretary under this Policy include the following:

- a) Ensuring compliance with the Policy and taking corrective actions for violations of the Policy;
- b) Determining whether any event / information is material, including if there has been material changes since the last disclosure, and determining time and adequacy of disclosures to made, if such event/ information is material.
- c) Making necessary disclosures to the Stock Exchanges with requisite details.

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.

## 9.0 Disclosure

The Company shall simultaneously disclose on its website ([www.chini.com](http://www.chini.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 five years and thereafter as per the following archival policy of the Company:

*Archival Policy* – Disclosures pertaining last five 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 the event / 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. All other disclosures beyond the said period may be placed under a single consolidated url.

## 10.0 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, regulation 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.

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