

STAR PAPER MILLS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENT/INFORMATION

I. Purpose

The purpose of this Policy is to determine materiality of events and information based on criteria specified under Regulation 30 (4)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and to ensure that the Company shall make disclosure of material events/information as required under the “Listing Regulations”

Regulation 30(2) lays down events which are deemed to be material in nature (specified in Para A of Part A of Schedule III), details of which are as per Annexure- A.

As per Regulation 30(4), the company is required to formulate a policy for determination of materiality of other events. Accordingly, the company shall consider the following criteria for determination of materiality of events/ 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) are not applicable, an event/information may be treated as being material if in the opinion of the authorised KMP., the event / information is considered material.

An illustrative list has been formulated under Para-B of Part-A of Schedule III and is reproduced hereunder as Annexure-B . Authorised personnel may determine materiality or otherwise of these events as per criteria mentioned above.

II. Definitions: The words, terms, expressions used in this Policy shall have the same meaning as given in the “Listing Regulations”

III. Disclosure of events or information

The company will make disclosure of material events/information as given in Annexure- A and those determined material as per this policy in the manner laid down in Regulation 30(4).

IV. Authorization for determination of materiality of events/ information

Key Managerial Personnel (KMPs) are hereby authorized for the purpose of jointly determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under this regulation. Disclosure shall be made by Compliance officer upon instruction from Senior most KMP in station at the relevant time and the contact details of Compliance Officer shall be disclosed to the stock exchange(s) and as well as on the company's website.

V. Communication of this Policy

This Policy will be communicated to all Directors and KMPs of the Company. This Policy shall also be posted on the website of the Company.

VI. Amendment

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

ANNEXURE-A

A. 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 company 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 company 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 company 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 company 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 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.

6. Fraud/defaults by promoter or key managerial personnel or by company 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 company.

13. Proceedings of Annual and extraordinary general meetings of the company.

14. Amendments to memorandum and articles of association of company, in brief.

15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the company to analysts or institutional investors.

ANNEXURE-B

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 company 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 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.