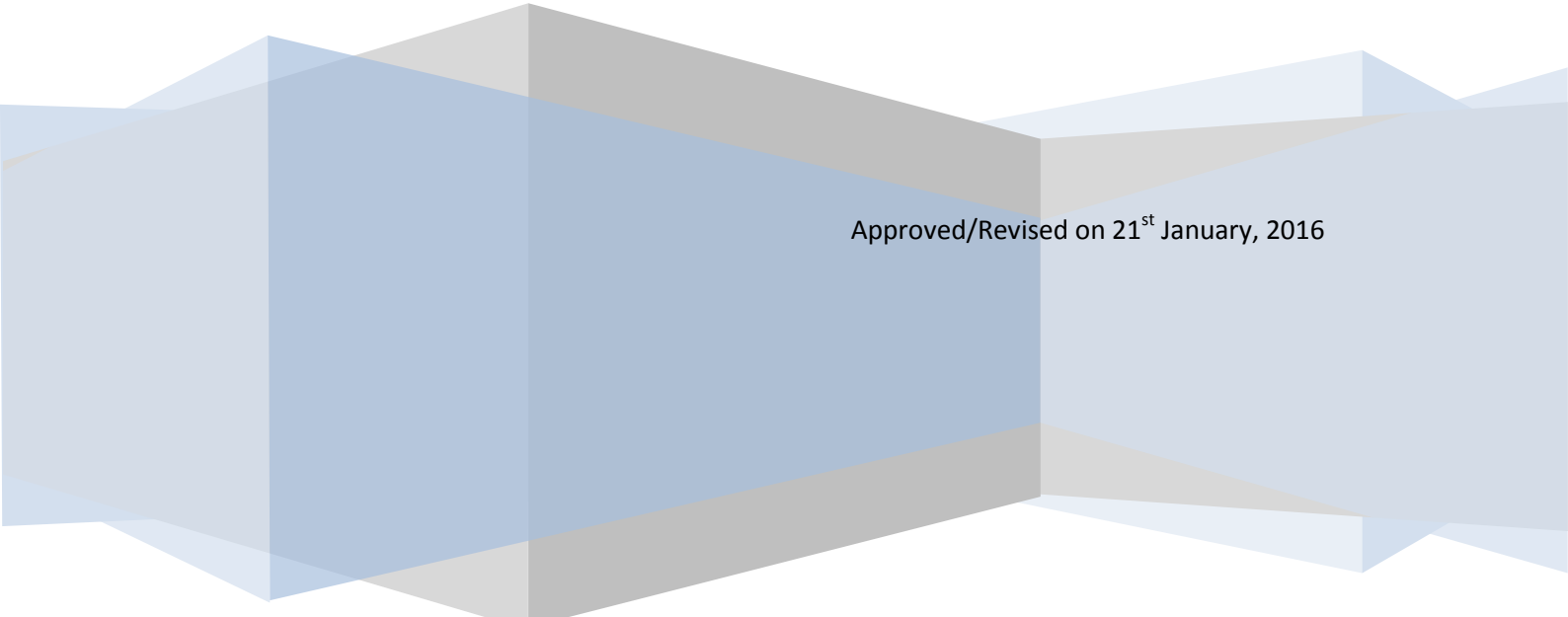


DISCLOSURE POLICY

OF BINANI INDUSTRIES LIMITED

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015

Approved/Revised on 21st January, 2016



POLICY STATEMENT

ON

PRESERVATION AND DISCLOSURE MATERIAL & PRICE SENSITIVE INFORMATION

“The Company shall:

- *safeguard, protect and preserve the confidentiality of material and price sensitive information, which are not published, so as to avoid any misuse by any person;*
- *make timely, adequate and accurate disclosure of all material and price sensitive information (except in the business interest of the Company) on uniform basis facilitating fair market for securities issued by the Company.”*

BACKGROUND

Binani Industries Ltd (**“the Company”**) is a listed entity having enlisted its shares on National Stock Exchange, BSE Ltd and Calcutta Stock Exchange (**“Stock Exchanges”**). As such, the Company is required to comply with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (**“Insider Trading Regulations”**) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“LODR Regulations”**). Provisions of the said SEBI Regulations obligate the Company to safeguard and make timely, adequate and accurate disclosure of prescribed material and unpublished price sensitive events or information (**“Material Information”**).

In compliance with the Regulation 8 of the Insider Trading Regulations read with Schedule A thereof and Regulation 30 of the LODR Regulations read with Schedule III thereof and SEBI circular CIR/CFD/CMD/4/2015 dated 9th September, 2015, the Company has formulated following policies:

1. Policy for determining materiality of any event or information
2. Code for Practices and Procedures for Fair Disclosure of Material event or Information

This document is divided into three parts viz., Part A, Part B and Part C.

Part A deals with policy and process for determining Material and Unpublished Price Sensitive Information

Part B deals with Code of Practices and Procedures for Fair Disclosure of Material and Unpublished Price Sensitive Information

Part C deals with miscellaneous provisions which shall be applicable to the provisions mentioned in the Part A and Part B

PART A

POLICY FOR DETERMINING MATERIAL AND UNPUBLISHED PRICE SENSITIVE INFORMATION

In terms of Regulation 30 of the LODR Regulations, the Board of Directors (the "Board") of the Company has approved this policy at its meeting held on 21st January, 2015 for determination of Material Information so that such information can be promptly disclosed to the stock exchanges, as per the prescribed regulations.

POLICY FOR DETERMINING THE MATERIALITY OF EVENTS/INFORMATION

1. All events/information specified in Schedule A to this Document shall be deemed to be Material Information. Such information shall be disclosed to the Stock Exchanges without applying the test of materiality.
2. All events specified in Schedule B to this Document shall be subjected to the test of materiality as per Guidelines specified hereinafter and accordingly be ascertained if the same is material or not. Upon being ascertained as material information, it shall be disclosed to the Stock Exchanges as per the provisions of this Document.

GUIDELINES FOR TEST OF MATERIALITY:

1. Upon occurrence of any event/information specified in Schedule B, the Head of the respective Department of the Company shall immediately convey such event/information to the Chief Investor Relations Officer (designated and specified under Part B of this Document).
2. The Chief Investor Relations Officer, in consultation with the Chairman, shall be the authority to determine the materiality of any information, classify it as a Material Information, decide the appropriate time at which disclosure is to be filed with the Stock Exchanges and details that may be filed in the best interest of present and potential investors.
3. Materiality shall be ascertained having regard to the following principles:
 - a) Whether the omission to disclosure of new event or information is likely to result in discontinuity or alteration of publicly available event or information; or
 - b) Whether 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.

In case where answer to the criteria specified in sub-clauses (a) and (b) are in negative, an event/information may still be treated as being material if in the opinion of the Chief Investor Relations Officer is considered material. In such cases, to ascertain materiality, the Chief Investor Relations Officer (in consultation with Chairman) shall frame her opinion on a case to case basis, based on specific facts and circumstances relating to the information/event and while doing so, it may consider, among other factors, the following factors:

- Whether there would be any direct or indirect impact on the reputation of the Company; or
- Whether non-disclosure can lead to creation of false market in the securities of the Company; or
- Whether there would be a significant impact on the operations or performance of the Company.

Part B

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF MATERIAL AND UNPUBLISHED PRICE SENSITIVE INFORMATION

In terms of Regulation 8 of the Insider Trading Regulations, the Board of the Company had adopted a code of practices and procedures for fair disclosure of unpublished price sensitive information at its meeting held on 11th May, 2015. Subsequently, in view of enforcement of LODR Regulations, this code is revised by the Board at its meeting held on 21st January, 2016.

CHIEF INVESTOR RELATIONS OFFICER

In terms of Regulation 30(5) of LODR Regulations and Schedule A of Insider Trading Regulations, the Board of Directors has authorized Mrs. Visalakshi Sridhar, CFO, Manager & Company Secretary of the Company to make disclosure of Material Information to Stock Exchanges and accordingly has designated her as Chief Investor Relations Officer.

Chief Investor Relations Officer is authorized to communicate with analysts, research personnel or any other outsiders in respect of Material Information. Disclosure in the course of such interaction shall not be beyond the disclosures made to the Stock Exchanges.

Contact details of Chief Investor Relations Officer are available on the website of the Company www.binaniindustries.com.

GUIDELINES FOR MAKING DISCLOSURE OF MATERIAL INFORMATION

1. Material Information shall be disclosed/disseminated on uniform and universal basis/manner to avoid selective disclosure.
2. Material Information shall be safeguarded from misuse by any person, whether insider or outsider. Internal handling of Material information shall be done on a need-to-know basis only.
3. Transcripts or records of proceedings of meetings with analysts and other investor relations conferences, if any, shall be updated on the website of the Company from time to time.
4. Material Information shall first be disclosed to the Stock Exchanges as soon as reasonably possible but not later than twenty-four hours from the occurrence of event or information. In case the disclosure is made after twenty-four hours of occurrence of the event or information, the Company shall, alongwith such disclosure provide explanation for the delay.
5. Any Material Information may be kept confidential, if disclosure of such information is likely to put the business interest of the Company at risk. The Chief Investors Relations Officer shall form an opinion on this regard on the reasonable basis. However, the Company may, if deemed so by Chief Investor Relations Officer in consultation with Chairman, make qualified disclosure to Stock Exchanges in such cases subject to forming of opinion that such qualified disclosure does not lead to speculation.
6. Notwithstanding time line contained in the Guideline No. 4 above, the Company shall disclose to the Stock Exchanges the Outcome of Meetings of the Board of Directors 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/dispached;

- 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).
7. The company, in respect of disclosure already made, shall make disclosures updating material developments on a regular basis till such time such event is resolved/closed, with relevant explanations.
 8. Disclosures in respect of events/information specified in Schedules shall be made in compliance with SEBI circular CIR/CFD/CMD/4/2015 dated 9th September, 2015.
 9. The Company shall disclose on its website all such events or information which has been disclosed to stock exchanges and such disclosures shall be hosted on the website for a period of five years.
 10. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.
 11. The Company shall give specific and adequate reply to all queries raised by Stock Exchanges/Regulatory Authorities with respect to any reported events or information.
 12. The Company shall make endeavour confirm or deny any reported event or information to Stock Exchanges having major implication on the Company or on security issued by it.
 13. In case where an event occurs or an information is available with the Company, which has not been indicated in the Schedules hereof but if on assessment by the Chief Information Officer it is ascertained that such event/information may have material effect, the Company shall disclose the same to the Stock Exchanges

PART C

MISCELLANEOUS PROVISIONS

SCOPE AND LIMITATION:

In any circumstance where the terms of this Document differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will prevail over these policies and procedures until such time as this Document is amended to conform to the law, rule, regulation or standard.

AMENDMENTS AND MODIFICATION

This Document shall be reviewed from time to time and any amendments or modifications thereto shall be subject to the review and approval of the Board of Directors of the Company.

SCHEDULE A

EVENTS WHICH SHALL BE DISCLOSED WITHOUT ANY APPLICATION OF TEST OF MATERIALITY

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. 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.
 5. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
 6. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
 7. Appointment or discontinuation of share transfer agent.
 8. Corporate debt restructuring.
 9. One time settlement with a bank.
 10. Reference to BIFR and winding-up petition filed by any party /creditors.
 11. 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.

12. Proceedings of Annual and extraordinary general meetings of the listed entity.
13. Amendments to memorandum and articles of association of listed entity, in brief.
14. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

SCHEDULE B

EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY

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.
13. 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.