

BANSWARA SYNTEX LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION

1. Background

This Policy for Determination of Materiality of Events or Information (the "Policy") is aimed at providing guidelines to the Management of Banswara Syntex Limited (the "Company"), to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the stock exchanges.

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 with effect from December 1, 2015.

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 event/ information.

2. Objective

The Company is a listed entity and require 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").

3. Basic Principles

The Policy is based on the following basic principles:

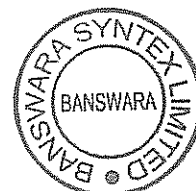
Materiality: To ensure that all material events/ information become public or made generally available.

Timeliness: The Company shall make disclosure of events specified in Para A of Part A of Schedule III of the Listing Regulations, as may be amended from time to time, without applying any test of materiality to the stock exchanges within specified timelines.

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

4. Criteria for determination of materiality of events / information

Events/ information as are mentioned in Para B of Part A of Schedule III of the Listing Regulations which shall be disclosed by the Company to the Stock Exchange, 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 Event exceeds 5% of the gross turnover or revenue of total income; or exceeds 20% of the networth, whichever is lower.

Note: Above thresholds shall be determined on the basis of audited financial statements of last financial year.

- b) **Quantitative 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. Event/ information with respect to subsidiaries which are material for the Company shall also be disclosed to the Stock Exchanges.

5. Contents and time for disclosure

Disclosure shall be made upon occurrence of a material event/information. The time for disclosure shall be accordance with the Listing Regulations and other relevant SEBI Circulars. The Company shall provide such details while making a disclosure of event/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 required by SEBI / the Stock Exchanges from time to time or as may be prescribed under the Listing Regulations.

6. Authority

The Board has authorized Key Managerial Personnel of the Company, viz. the Chief Financial Officer or Company Secretary or all or any of them, to determine the materiality of event or information which would qualify for disclosure under Regulation 30. The contact details of the authorized personnel(s) shall also be disclosed to the Stock Exchange(s) and shall be uploaded on the website of the Company.


7. Disclosure on the website of the Company

All such events or information which has been disclosed to stock exchanges under the Listing Regulations shall be made available on the Company's website. Such events or information shall be placed on the website of the Company for a minimum period of five years. The Policy and the contact details of the persons authorized by the Board shall be available on the website of the Company.

8. Review

The Board of Directors of the Company reserves the right to amend or modify this Policy in whole or in part, as may be required, at any point of time

Approved in Board Meeting
Dated 11th February, 2016


R.L. TOSHNIWAL
Chairman of the Meeting

