

POLICY ON DISCLOSURE OF MATERIAL EVENTS / INFORMATION

1. Statutory Mandate

The Board of Directors (The "Board") of Sri Nachammai Cotton Mills Limited (the "Company") has adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend this policy from time to time

This Policy will be applicable to the Company with effect from 1 December, 2015 in terms of Clause 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

2. Policy Objective and Scope

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined

The purpose of this documents to present a high level policy statement for Sri Nachammai Cotton Mills Limited regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

3. Definitions

"Audit Committee or Committee" means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, RBI Act and/or the Companies Act, 2013

"Board of Directors or Board" means the Board of Directors of ESAB India Limited, as constituted from time to time

"Company" means a Company incorporated under the Companies Act, 1956 or under any other act prior to or after Companies Act, 1956

"Independent Director" means a Director of the Company, not being a whole time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 and the SEBI's LODR, 2015 entered into with the stock exchanges

"Policy" means Policy on Disclosure of Material Events

"Material Events" are those that are specified in Para A of Part A of Schedule III of the LODR

"Other Events" are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub-regulation(4)

"LODR" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

"Key Managerial Personnel" (KMP) of the Company includes Managing / Whole-time Directors, Chief Financial Officer / Vice President Finance and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange

4. Policy

Based on the recommendation of the Audit Committee of Directors or suo moto the Board of Directors of the Company shall determine the events which are classified under different

categories to be material and / or other events having a bearing on the performance of the Company and on the share prices of the Company, which needs to be disclosed to the stock exchanges as per the time span specified against each category

CATEGORY A

Events considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within 24 hours of the decision taken at the Board Meeting are:

1. Acquisition, (including agreement to acquire), Scheme of Arrangement which includes amalgamation / merger / demerger / restructuring), or sale or disposal of unit(s), division(s) or subsidiary of the listed entity or any other restructuring
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. Shareholder agreement, Joint Venture, Family settlement agreement, agreement / treaty / contract with media companies
4. Fraud / default by promoters or key managerial personnel and arrest of KMP or promoter
5. Reference to BIFR and winding-up petition filed by any party / creditors
6. Revision in ratings

Note: If the Management is not in a position to inform the stock exchange within 24 hours of the decision taken at the Board Meeting, then it shall inform the stock exchange as soon as it is possible with an explanation as to reason for delay in disclosing the said information

CATEGORY B

Events / Decisions considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within 30 minutes of the closure of the Board Meeting are :

1. Declaration of Dividend and / or cash bonuses recommended or declared and other information pertaining to them
2. Cancellation of dividend with reasons thereof
3. Buyback of shares
4. Fund raising proposed to be undertaken
5. Increase in capital by issue of bonus shares
6. Reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue
7. Alteration of capital
8. Financial results
9. Voluntary delisting from stock exchanges

CATEGORY C

Miscellaneous Events / Decisions not considered Material in view of the Board of Directors which however, needs to be disclosed to the stock exchanges within as soon as it is possible when the necessary information is ready to be publicised which are:

1. Schedule of Analyst or institutional investor meet and presentation
2. Commencement or postponement of the date of commercial production or operation of any unit / division

3. Change in the general character or nature of business brought about by arrangements for strategic, technical manufacturing or marketing tie-up, new line of business or closure of operations of any unit / division
4. Capacity addition or new product launch
5. Agreements for loan not in the normal course of business
6. Disruption of operation of any one or more units due to natural calamity
7. Effects arising out of change in regulatory framework applicable to the listed entity
8. Litigation / dispute / regulatory action(s) with impact
9. Options to purchase securities including ESOP/ESPS scheme
10. Giving of guarantees or indemnity or becoming a surety for any third party
11. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
12. Emergence of new technologies
13. Expiry of patents
14. Change in accounting policy
15. Any other information that may be deemed necessary jointly and severally by the KMPs of the Company who would consider that it is necessary for the holders of the securities of the listed entity to appraise its position and to avoid the establishment of a false market
16. The Board may in its discretion also authorise the KMPs to disclose such events, information or material that in its wisdom may be necessary for the Members of the exchange to know the information

The Management shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Members of the Stock Exchanges.

5. Criteria for disclosure of events / information

1. The omission of an event or information would likely to result in discontinuity or alteration of event or information already available publicly.
2. 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.
3. In case where the criteria of an event / information does not fall in the first two categories, but still in the opinion of the board of directors are considered material.

6. Website Updation / Updates to stock exchanges

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events. Such updates shall also be hosted on the website of the Company.

7. Policy Review

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.