

MANGALORE CHEMICALS AND FERTILIZERS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS FOR DISCLOSURE

1. INTRODUCTION

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mangalore Chemicals and Fertilizers Limited ("the Company") is required to formulate a policy for determination of materiality of events and information which are required to be disclosed to the stock exchanges where the securities of the Company are listed ("Stock Exchanges"). Accordingly, the Board of Directors of the Company has approved and adopted this "Policy for Determination of Materiality of Events for Disclosure to Stock Exchanges" ("Policy").

2. OBJECTIVE

The Policy aims to provide a framework for determining materiality of events and information for the purpose of making disclosure to Stock Exchanges in terms of sub-regulations 3 and 4 of Regulation 30 of Listing Regulations.

3. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

The following criteria shall be considered for determination of materiality of events and information:

- I. the event or information, omission of which is likely to result in discontinuity or alteration of event or information already available publicly; or
- II. the event or information, omission of which is likely to result in significant market reaction if disclosure or disclosure regarding omission came to light at a later date; or
- III. the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - 1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - 2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - 3) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity;
- IV. In case where the criteria specified in sub-clauses (I), (II) and (III) is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the Company, the event or information is considered material:

4. MATERIAL EVENTS AND INFORMATION

4.1. The following events and information conforming to the materiality criterion given in clause 3 above shall be considered material for the purpose of disclosure to the Stock Exchanges in terms of Regulation 30(3) of the Listing Regulations:

Sr. No.	Event/ Information
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2.	Any of the following events pertaining to the listed entity: (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (b) adoption of new line(s) of business; or (c) closure of operation of any unit, division or subsidiary (in entirety or in 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) 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.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
9.	Frauds or defaults by employees of the Company which has or may have an impact on the Company.
10.	Options to purchase securities including any ESOP/ESPS Scheme.
11.	Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

- 4.2 The Company shall make disclosures of any events or information which in the opinion of the Board of Directors is material. The events mentioned in PART – A: Disclosures of Events or Information as per Schedule III of the Regulations shall be disclosed without any application of the guidelines of materiality. The indicative list of such events shall form part of this policy. (Sub regulation (4) of Regulation 30).
- 4.3 The Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Board of Directors of the Company.
- 4.4. The aforesaid events and information shall be disclosed to the Stock Exchanges in the manner prescribed under Listing Regulations.

5. AUTHORITY

5.1. The Board of Directors of the Company has authorised the Managing Director, Whole-time Director, Chief Financial Officer and Company Secretary (“Authorised persons”), to determine the materiality of any event/information for the purpose of disclosure to the Stock Exchanges.

5.2 Normally, the Company Secretary shall make necessary disclosures of events or information to the Stock Exchanges under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by Chief Financial Officer or Managing Director or Whole-time Director of the Company.

6. DISCLOSURE ON WEBSITE OF THE COMPANY

The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website for a minimum period of five years and thereafter as per the archival policy, as disclosed on the website.

7. AMENDMENT

This Policy can be amended, modified or revised by the Board of Directors of the Company from time to time. Any provision in this policy, insofar as it is inconsistent or contradictory with the provisions of law and/ or any statutory enactments shall, to the extent of such inconsistency, be void and the provisions of law/ statutory enactment shall prevail.

Board approval	Dec 02, 2015
Board review	Feb 09, 2018
Board review	Feb 06, 2019
Board review	Feb 04, 2020
Board review	Feb 04, 2021
Board review	Feb 01, 2022
Board review	Jan 30, 2023
Board review	Aug 07, 2023
Board review	Feb 02, 2024