



MADHUCON PROJECTS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

1. Introduction

The new SEBI Regulation has made provisions for disclosure of all material events/information to Stock Exchanges (where the securities of a company are listed) relating to the company and its material subsidiaries, if any, and complying with requirements in this regard in order to attain transparency and good corporate governance.

2. Regulatory framework

The applicable law is Regulation 30 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 which is in effect from 01-12-2015. Following are the requirements to be laid down in the form of a Policy by a Company through the approval of its Board of Directors.

3. Definition

- a) “**Act**” shall mean Companies Act, 2013 and the rules frame there under, including any modifications, clarification, circulars or re-enactment thereof.
- b) “**Board of Directors**” or “**Board**” means the Board of Directors of Madhucon Projects Limited as constituted from Time to Time.
- c) “**Company**” means Madhucon Projects Limited.
- d) “**Key Managerial Personnel**” mean key managerial personnel as defined in sub section 51 of section 2 of the Companies Act, 2013.
- e) “**Policy**” means this policy on criteria for determining materiality of events or information as amended from time to time.
- f) “**Regulation**” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- g) “**Schedule**” means a Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

4. Materiality and Disclosure

Disclosure to Stock Exchanges of following events or information DEEMED to be material (as soon as reasonably possible but not later than 24 hours from their occurrence):



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a) Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamate 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,-

- Acquiring control, whether directly or indirectly; or,
- Acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - 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;
 - 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.
- b) 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.
- c) Revision in Rating(s).
- d) **Outcome of Meetings of the board of directors:** The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - I. 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;
 - II. Any cancellation of dividend with reasons thereof;
 - III. The decision on buyback of securities;
 - IV. The decision with respect to fund raising proposed to be undertaken
 - V. Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - VI. 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;
 - VII. Short particulars of any other alterations of capital, including calls;
 - VIII. Financial results;
 - IX. Decision on voluntary delisting by the listed entity from stock exchange(s).
- e) 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



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binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

- f) Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- g) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- h) Appointment or discontinuation of share transfer agent.
- i) Corporate debt restructuring.
- j) One time settlement with a bank.
- k) Reference to BIFR and winding-up petition filed by any party /creditors.
- l) 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.
- m) Proceedings of Annual and extraordinary general meetings of the listed entity.
- n) Amendments to memorandum and articles of association of listed entity, in brief.
- o) Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

Any disclosure made after 24 hours of occurrence of material event or information the company shall along with such disclosures provide explanation for delay.

Criteria for determining materiality of events/information:

Event /information shall be considered as material:-

- a) if 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) if 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 board of directors of Company, the event / information is considered material.



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Disclosure to stock exchange of following events or information based on the criteria for determining materiality (as provided in para ii above):

- a) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- b) 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).
- c) Capacity addition or product launch.
- d) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- e) 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.
- f) 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.
- g) Effect(s) arising out of change in the regulatory framework applicable to the listed entity
- h) Litigation(s) / dispute(s) / regulatory action(s) with impact.
- i) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
- j) Options to purchase securities including any ESOP/ESPS Scheme.
- k) Giving of guarantees or indemnity or becoming a surety for any third party.
- l) Granting, withdrawal, surrender, cancellation or suspension of key license or regulatory approvals.

Disclosure to stock exchanges of following events or information if likely to affect business of the company:

- a) emergence of new technologies,
- b) Expiry of patents,
- c) Any change of accounting policy that may have a significant impact on the accounts, etc. with brief details thereof, and
- d) Any other information which is exclusively known to the Company which may be necessary to enable the holders of securities to appraise its position and to avoid the establishment of a false market in such securities.

Other material events/information

The company shall make disclosure to Stock Exchanges of any other material events or information as specified by the Board of Directors from time to time.



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5. Authority to Key Managerial Personnel (KMP)

The Board of Directors of the company have jointly or severally authorised following key managerial personnel for the purpose of determining materiality of an event or information and to intimate to Stock Exchange regarding material event or information.

- a) (Managing Director)
- b) (CFO)

6. Other Provisions

- a) All the applicable provisions of the Listing Agreement and other law/s, as amended from time to time are to be complied in letter and spirit in implementing this policy.
- b) The company shall make disclosures of any events or information to the stock exchanges which, in the opinion of the Board of Directors of the Company, are material.
- c) The Company shall also make disclosure of all the events or information with respect to its material subsidiary, if any
- d) The Company with respect to the disclosure/s mentioned hereinabove shall also inform to the Stock Exchanges the updating material developments on a regular basis, till such time the events is resolved/ closed, with relevant explanation.
- e) The Company shall disclose in its Web site all event and information disclosed to the Stock Exchanges as per this Policy which shall remain in the Web Site for minimum five continuous calendar years.
- f) The Company shall provide specific and adequate reply to all queries raised by the Stock Exchanges on any event or information as per this Policy. it may also on its own initiative, confirm or deny any reported events or information to the Stock Exchanges.

The above policy has been approved by the Board of Madhucon Projects Limited at its meeting held on 28th May, 2019.