



Modi Naturals Limited

Policy for determination and disclosure of Material events or
information



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1. PREAMBLE

- 1.1 Regulation 30(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') requires every listed entity to frame a policy for determination of materiality of events and information that requires appropriate disclosure to the stock exchanges. Further such disclosures are required to be hosted on the website of the listed entity for a minimum period of 5 years and thereafter as per its Archival Policy.
- 1.2 Accordingly, the Board of Directors of the Company has approved and adopted a Policy for determination of materiality of events and information and disclosure thereof. (hereinafter referred to the 'Policy'). This Policy is also available on the website of the Company.

2. OBJECTIVES

The objective of the Policy is to ensure timely and adequate disclosure of material events or information under Regulation 30 of Listing Regulations as amended time to time and applicable laws.

3. DEFINITION

- 3.1 "Compliance Officer" means the Company Secretary of the Company.
- 3.2 "Stock Exchange" means BSE Ltd.

Words and expressions not defined herein shall have the meaning ascribed to them under the Listing Regulations, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 and the Securities Contracts (Regulation) Act, 1956.

4. Policy

4.1 Guidelines for determination of materiality of event / information

Materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature, the Company shall consider the criteria(s) mentioned below :-

- (i) the omission of an event or information, which is likely to result in a discontinuity or alteration of event or information already available publicly; or
- (ii) 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;
- (iii) If in the opinion of the Board of Directors, the event / information is considered material.

The events / information which shall be disclosed without application of materiality guidelines listed in this Policy is attached as Annexure I.



An illustrative list of events / information which shall be disclosed to the stock exchanges on application of guidelines of materiality given above is attached as Annexure II.

5. **Guidance on occurrence of event / availability of information**

- 5.1 The timing of occurrence of an event and/or availability of information has to be decided on a case to case basis.
- 5.2 In case of natural calamities, disruptions etc. the events/ information can be said to have occurred when the Company becomes aware of the information.
- 5.3 In matters which would depend on the stage of discussion, negotiation or approval, the events/information can be said to have occurred upon receipt of approval by the Board of Directors or after receipt of approval of the Board of Directors and shareholders, as the case may be.

6. **Implementation**

The authority for making decision with respect to the materiality of any event or information and for the purpose of making disclosure to the Stock Exchanges shall lie with the following key managerial personnel (KMP) of the Company:

Sr. No.	Name of the KMPs	Designation	Contact Details
1.	Mr. Anil Modi	Managing Director	Tel: 011-41889904 Email: cs.mnl@modinaturals.org
2.	Mr. Akshay Modi	Jt. Managing Director	
3.	Mr. Pradeep Kapoor	Chief Financial Officer	
4.	Mr. Rajan Kumar Singh	Company Secretary	

The contact details of the above KMPs are also available on the website of the Company.

7. **DISCLOSURE**

- 7.1 Disclosure of events enumerated in item number 4 of Annexure 2 relating to "Outcome of meetings of the Board of Directors" shall be made within thirty minutes of the closure of the Board Meeting at which such events were considered or discussed.
- 7.2 All other events mentioned in Annexure 1 and Annexure 2 shall be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information. The Company shall explain to the Stock Exchanges any delay in such disclosure beyond twenty four hours of the occurrence of the event or information.
- 7.3 The disclosure of events/information of price sensitive nature (such as decision on declaration of dividend) shall be made on receipt of approval of the event by the Board of Directors pending the shareholder's approval.
- 7.4 The Company shall ensure that the updated disclosure with respect to the material event / information is made to the stock exchanges on a regular basis till such time the event / information is resolved / closed, with relevant explanation.
- 7.5 The Company shall also disclose all such events or information with respect to subsidiaries which are material for the company.



8. **Website Disclosures and Archival**

- 8.1 The event / information disclosed to the stock exchanges under this Policy shall also be placed on the website of the Company for a minimum period of five years or such other period as prescribed by the Regulations.
- 8.2 After completion of the minimum period of five years or such other period as prescribed by the Regulations and/or Securities Laws the events or information shall be disclosed as per the Company's archival policy. Thereafter such events or information may ceased to be displayed on the website of the Company.

9. **REVIEW OF THE POLICY**

The Board shall review the Policy from time to time based on the changing needs and make suitable modifications as may be necessary. Any change in the Policy shall be approved by the Board of the Company and the decision of the Board in this respect shall be final and binding.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Anenxure I

The following events, as specified in Para A of Part A of Schedule III of the Listing Regulations, are deemed to be material events and have to be necessarily disclosed immediately without applying any 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 Company 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 Company 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) Outcome of Meetings of the Board of Directors of the Company: The Company shall disclose to the Stock Exchange(s), 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/dispatched;
 - 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 Company from stock exchange(s).
 - 5) Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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.



- 6) Fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoters of the Company.
- 7) Change in the Board of Directors of the Company, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- 8) Appointment or discontinuation of share transfer agent.
- 9) Corporate debt restructuring.
- 10) One time settlement with a bank.
- 11) Reference to BIFR and winding-up petition filed by any party /creditors of the Company.
- 12) 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 Company.
- 13) Proceedings of annual and extraordinary general meetings of the Company.
- 14) Amendments to memorandum and articles of association of the Company, in brief.
- 15) Schedule of analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.
- 16) corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code
- 17) Initiation of Forensic audit



Annexure II

The following events, as specified in Para B of Part A of Schedule III of the Listing Regulations 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.
