



POLICY FOR DISCLOSURE OF EVENT/INFORMATION AND DETERMINATION OF MATERIALITY

PREAMBLE

In terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), McLeod Russel India Limited (the Company/MRIL) has formulated and published on its website, a policy for determination of the materiality of the events or information of the Company which was adequately disseminated to the Stock Exchanges.

The said policy is required to be amended pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2015 (Last amended on November 09, 2021) which shall be effective from April 1, 2022. Accordingly in supersession of the previous policy, the Board of Directors passed a resolution by circular on 29th March 2022 and has amended the policy for determination of the materiality of the events or information of the Company in accordance with the requirement of the said amended Regulation.

OBJECTIVES

The Objective of the Policy is to ascertain the requirement for disclosure of events/information to the Stock Exchanges, to determine the materiality of events or information of the Company based on criteria specified under Regulation 30 (4) (i) of the Listing Regulations and to ensure that such information is adequately disseminated to the Stock Exchanges.

DISCLOSURES OF EVENTS OR INFORMATION

The following are the events/information, upon occurrence of which the Company is required to make timely disclosures to the Stock Exchanges:

A. Events/Information as specified in para A of Part A of Schedule III to the Listing Regulations, to be disclosed without any application of the guidelines for 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: 'Acquisition' shall mean,-

- a. acquiring control, whether directly or indirectly; or,
- b. acquiring or agreeing to acquire shares or voting rights in, a Company whether directly or indirectly, such that –
 - i) the Company holds shares or voting rights aggregating to 5% or more of the shares or voting rights in the said Company, or;
 - ii) there has been a change in holding from the last disclosure made under sub-clause i) of Clause (b) of the Explanation to this sub-para and such change exceeds 2% 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: The Company shall disclose to the 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).

[Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.]

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 Company or arrest of key managerial personnel or promoter.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
- 7A. In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
- 7B. Resignation of Independent Director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
 - i. The letter of Resignation along with detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
 - ii. Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any
 - iii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iv. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) and (ii) above.
8. Appointment or discontinuation of share transfer agent.
9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
 - (i) Decision to initiate resolution of loans/borrowings;
 - (ii) Signing of Inter Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of Resolution Plan;
 - (iv) Implementation of Resolution Plan
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
10. One time settlement with a bank.
11. Reference to BIFR and winding-up petition filed by any party / creditors.
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.
13. Proceedings of Annual and extraordinary general meetings of the Company.
14. Amendments to Memorandum & Articles of Association of the Company, in brief.
15. a) Schedule of analysts or institutional investors meet and presentations made by the Company to analysts or institutional investors.

Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means

b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

(i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty four hours from the conclusion of such calls, whichever is earlier;

(ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.

The requirement of disclosure(s) of audio/video recordings and transcript shall be voluntary with effect from April 01, 2021 and mandatory with effect from April 01, 2022]

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
- d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) Specific features and details of the resolution plan as approved by the adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - i. Pre and Post net - worth of the company;
 - ii. Details of assets of the company post CIRP;
 - iii. Details of securities continuing to be imposed on the companies' assets
 - iv. Other material liabilities imposed on the company;
 - v. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - vi. Details of funds infused in the company, creditors paid – off;
 - vii. Additional liability on the incoming investors due to the transaction, source of such funding etc;

- viii. Impact on the investor –revised P/E, RONW ratios etc.;
- ix. Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
- x. Brief description of business strategy.

- m) Any other material information not involving commercial secrets.
- n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
- o) Quarterly disclosure of the status of achieving the MPS;
- p) The details as to the delisting plans, if any approved in the resolution plan.

17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:

- a) The fact of initiation of forensic audit along - with name of entity initiating the audit and reasons for the same, if available;
- b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.

B. Events/Information as specified in para B of Part A of Schedule III to the Listing Regulations to be disclosed upon application of the guidelines for materiality as specified below:

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 Company 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 Company
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of Company.
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.

C. Any Other Event/Information viz. Major Development that is likely to affect Business to be disclosed, including but not restricted to the following

1. Emergence of new technologies,
2. Expiry of patents,
3. Changes in accounting policy that may have a significant impact on the accounts etc. and brief details thereof
4. Any other information exclusively known to the Company and which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

D. Any Event/Information as specified to be disclosed by the Board of Directors of the Company.

E. Criteria for determination of materiality of events/information as enumerated in Para B, C and D above

The Company shall consider the following criteria as specified in Regulation 30(4)(i) of the Listing Regulations for determining the materiality of events/information as specified in Para B, C and D above:

1. The omission of an event/information likely to result in discontinuity or alteration of event or information already available publicly; or
2. The omission of an event/information likely to result in significant market reaction if the said omission came to light at a later date: or
3. Any other event/information which is considered as material in the opinion of the Board of Directors of the Company.
4. In addition to the above mentioned criteria for determination, the materiality of the transactions will be determined in light of the following parameters:
 - **On the basis of the Net Worth of the Company:** Any transaction/event other than in the ordinary course of business pursuant to which there is change in the Net Worth of the company exceeding Rs. 500 crore, will be deemed as material, and the same is required to be disclosed to the Stock Exchanges and on the website of the Company.
 - **On the basis of Turnover of the Company:** Any purchase/sale transaction with any party other than in the ordinary course of business exceeding Rs. 500 crore will be deemed as material.
 - **On the basis of Total Assets/Liabilities of the Company:** Any transaction other than in the ordinary course of business by which there is impact on total assets/liabilities of the Company exceeding Rs. 500 crore, will be deemed as material, and the same is required to be disclosed to the Stock Exchanges and also on the website of the Company.

Procedure for Disclosure of Events or Information

Unless otherwise decided by the Board of Directors, the following Key Managerial Personnel, being the Managing Director, the Wholetime Director, the Chief Financial Officer and the Company Secretary of the Company, for the time being, of the Company, are authorized jointly/severally for the purpose of determining the materiality of an event or information in accordance with the criteria as enumerated in this policy and make disclosures to the Stock Exchange.

The Contact details of the Company Secretary (also the Compliance Officer), who shall act as coordinator between the Managing Director, the Wholetime Director, the Chief Financial Officer and the stakeholders shall be disclosed to the Stock Exchange(s) and also be disclosed on the Company's Website.

The Key Managerial Personnel shall observe the following for proper and timely disclosure of any material events or information as defined hereon:

1. On receipt of communication of any potential material event or information the Key Managerial Personnel shall refer to this policy and regulations for the purpose of determining the materiality of the event or information and after verifying its accuracy assess whether the event or information is required to be disclosed to the Stock Exchanges under the Listing Regulations.
2. The Company shall make disclosure to the Stock Exchange(s) of all events, as specified in the policy and Listing Regulations as soon as reasonably possible but not later than twenty four hours from the occurrence of event or information and or on becoming aware of it.
3. In case the disclosure is made after twenty four hours of occurrence of the event or information, the Company, along with such disclosures shall provide explanation for delay.
4. The disclosure with respect to events specified in Point No. 4 to Para A above and as also specified in sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations shall be made within the timelines specified therein.
5. The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
6. The Company shall disclose on its website all such events or information years with respect to subsidiaries which are material for the Company which has been disclosed to the stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of the company for a minimum period of five years with respect to subsidiaries which are material for the Company.
7. The Company shall provide specific and adequate reply to all queries raised by Stock Exchange(s) with respect to any events or information.
8. The Company may on its own initiative also, confirm or deny any reported event or information to Stock Exchange(s).

9. In case where an event occurs or information is available with the Company, which has not been indicated above, but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.

Disclosure/Amendment

The Policy shall be disclosed on the Website of the Company and a copy of the Policy shall also be circulated to the Directors, employees, functional heads, head of Departments, Vice Presidents of the Company.

The right to interpret/amend/modify this Policy vests in the Board of Directors of the Company.

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