



MAC Charles (India) Limited

Policy for Determining & Reporting of Material Event

Background

Mac Charles (India) Limited (the “Company”) is committed to transparency and fairness in dealing with all its stakeholders by disclosing all material events/information relating to the Company.

Securities and Exchange Board of India (“SEBI”) with the objective of bringing the basic framework governing the regime of listed entities in line with the Companies Act, 2013 and at the same time compiling all the mandates of varied regulations/circulars issued by SEBI governing equity as well as debt segments of capital market under the ambit of a single document, has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations (“**LODR**” or “**Regulations**”) on September 2, 2015. These Regulations shall come into force on the ninetieth day from their publication i.e. December 1, 2015.

Regulation 30 of the Regulations mandates all listed entities to frame a policy for determination of materiality of events / information, approved by its board of directors. The said Regulation also mandates all listed entities to report (a) all material events that are either specified in the Regulations; and (b) all other events which are determined as material events based on the criteria for determination of materiality of events / information specified in the Regulations.

Policy Objective and Scope

- The purpose of this document is to present a policy statement for the Company regarding disclosure of material events / information in accordance with the provisions of LODR and to determine the events and information which in the opinion of the Board are so material and needed to be disclosed to the Stock Exchanges as per the time span hitherto defined.
- The policy is intended to define on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in the Company in making decisions and regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company
- The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation of website the details of information / events which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.
- All the words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

In compliance with Regulation 30 of the aforesaid Regulations, the Board of Directors (“Board”) of the Company had adopted the amended “Policy for Determination and Reporting of Material Events” (Policy) at its meeting held on 26th June,2020.

1. Title and Commencement

- 1.1. This Policy is called “Policy for Determination and Reporting of Material Events”.
- 1.2. It shall come into force with effect from 26th June,2020.

2. Definitions

- 2.1 “**Board of Directors or Board**” means the Board of Directors of Mac Charles (India) Limited, as constituted from time to time.
- 2.2 “**Company**” means “Mac Charles (India) Limited”.
- 2.3 “**Compliance officer**” means Company secretary of the Company
- 2.4 “**LODR**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 2.5 “**Key Managerial Personnel**” (KMP) of the Company includes Managing / Whole-time Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.
- 2.6 “**Policy**” means Policy on Disclosure of Material Events / Information.
- 2.7 “**Material Events**” are those that are specified in Para A of Part A of Schedule III of the LODR, which is reproduced in Annexure-I
- 2.8 “**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, which is reproduced in Annexure-I
- 2.9 “**Stock Exchange**” means Bombay Stock Exchange where the securities of the Company are listed.

3. DETERMINATION OF MATERIALITY OF EVENT AND/OR INFORMATION:

- 3.1 In terms of Regulation 30 of Listing Regulations, the events specified in Annexure-1 A of this Policy, are deemed to be material events and the Company is mandatorily required to disclose such events without application of any materiality threshold limits.
- 3.2 The events specified under Annexure-1 B of this Policy, shall be disclosed based on application of the guidelines for materiality as detailed below:
 - (a) 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; or
 - (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 the Company such event/information is considered material (collectively, the "Guidelines for Materiality")

An event / information is considered to be material, if it is likely to result in one or more of the following impacts:

- (a) impact of 10% or more on the gross turnover or revenues or total income or impact of 20% of the net worth, both as per the last consolidated financial statements of the Company whichever is lower;
- (b) in case where (a) is not applicable, based on the opinion of the Managing Director / Compliance officer /Chief Executive Officer taking into consideration the following:
 - (i) Impact on the reputation of the Company, its brand, goodwill etc.
 - (ii) Business interest of the Company

3.3. Further, in case where an event occurs or an information is available with the Company, which has not been indicated in either Annexure-I A&B of this Policy, but which may have a material effect on the Company, the Company is required to make adequate disclosures in regard thereof.

3.4. The Company shall, with respect to disclosures referred to in Regulation 30 of the Listing Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/ closed, with relevant explanations. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

4. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENT AND/OR INFORMATION

The Whole-time Director or Compliance officer or Chief Financial Officer or will be authorised to determine the materiality of an event or information and for the purpose of advising on the disclosure to the stock exchanges.

The contact details of the Compliance officer shall be disclosed to the Stock Exchange(s) and displayed on the website of the Company.

5. DISCLOSURE OF POLICY AND MATERIAL EVENTS ON THE WEBSITE

This Policy shall be disclosed on the website. Further, the details of Material Events (including updation thereof) disclosed to Stock Exchanges under this Policy and the Regulation shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company.

6. DISCLOSURE OF EVENTS / INFORMATION ON SUBSIDIARIES

The Company shall disclose all events or information with respect to subsidiaries which are material.

7. POLICY REVIEW

The Policy shall be reviewed annually or at earlier intervals, if necessary. Consequent upon any changes in the Listing Regulations and other applicable regulatory guidelines, if any, such change to the extent applicable to the Company, shall be deemed to be a part of this Policy until the Policy is reviewed and approved next time..

ANNEXURE I

EXTRACT OF PART A OF SCHEDULE III TO THE REGULATIONS

The following events / Decisions considered Material which need to be disclosed to the stock exchanges within 24 hours of the decision taken at the Board Meeting / happening of the event

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of Regulation (30):

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 listed entity 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 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;
 - (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: The listed entity 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; and
 - i) decision on voluntary delisting by the listed entity 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 listed entity), 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 listed entity 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.
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.
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 listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.
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) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- m) Any other material information not involving commercial secrets.

Note: If the Company is not in a position to inform the stock exchanges within 24 hours of the occurrence of the event, 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.

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of Regulation (30):

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.

C. Any other information / event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

D. Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event / information as specified by the Board from time to time.
