

**POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND
DETERMINATION OF MATERIALITY**

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OF MATERIALITY**

MAHASHREE TRADING LIMITED

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MAHASHREE TRADING LIMITED

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1. PREFACE

The Board of Directors (the “Board”) of The Mahashree Trading Limited (the “Company”) has adopted the following policy and procedures with regard to disclosure of information and determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy shall be known as ‘Policy for Disclosure of Event or Information and Determination of Materiality’.

2. MATERIALITY AND DISCLOSURE OF EVENTS OR INFORMATION

The company shall make disclosure of any events or information to the stock exchanges on a timely basis as follows:

1. Events or information as stated in **Annexure-1** will be deemed to be material events / information and will be disclosed immediately in line with the **Clause 4** mentioned herein below.
2. Events or information which will be disclosed based on application of materiality criteria are given in **Annexure-2** and in line with **Clause 4** mentioned herein below.
3. Events or information with respect to subsidiaries which are material for company shall be disclosed by the company in line with the **Clause 4** mentioned herein below.
4. Events or information which may have a material effect on the company and/or as specified by the Board of Directors and recommended by Audit Committee of the Company from time to time and/or such other events or information prescribed by the SEBI or any other authority for disclosure, from time to time shall be disclosed by the company in line with the **Clause 3** mentioned herein below.

3. GUIDELINES FOR MATERIALITY ASSESSMENT OF AN EVENT/INFORMATION SPECIFIED IN ANNEXURE – 2

1. Materiality will 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, ‘quantitative’ criteria will be applied.

POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND DETERMINATION OF MATERIALITY

2. In circumstances where 'quantitative' test may not be applicable or cannot be applied, a 'qualitative' or a 'subjective' criteria as under will be applied to determine materiality :

a) the omission of an event or information which is likely to :

1. result in a discontinuity or alteration of an event already available publicly; or
2. result in significant market reaction if the said omission came to light at a later date;

b) Any event or information having a significant risk to the reputation of the Company.

c) In the opinion of the Authorized Persons or Board of Directors of the Company, the event/information ought to be disclosed.

3. In determining materiality a number of factors such as the nature of the information (both quantitative and qualitative), prevailing market conditions, general business practices, industry scenario, business outlook, etc. shall be taken into consideration.

4. The Company will disclose material information concerning the business and affairs of the Company to the public immediately, except where permitted by law and when otherwise required for the purpose of maintaining the confidentiality of the information.

5. The extent of the disclosures will depend upon the stage of discussions, studies, or negotiations.

In order to ensure that the Company complies with the disclosure obligations under Regulations 30 of the Listing Regulations, the Board has established an internal system for reporting any event or information which may require disclosure so that the event or information can be properly assessed and decision can be made regarding its disclosure to the Stock Exchanges.

In case any event or information is required to be disclosed or material in nature is not in the knowledge of responsible officer or comes to his knowledge subsequently, the responsible officer shall report immediately upon becoming aware of it to Executive Director, Chief Financial Officer and Company Secretary.

On receipt of communication of such event or information the matter will be reviewed and accessed in regard to its accuracy and necessity of disclosures of such event or information in terms of this policy. Where the Company is not certain about materiality of event/information, it may refer the matter to the external legal advice.

POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND DETERMINATION OF MATERIALITY

4. TIME LIMIT FOR DISCLOSURE

The Company shall make disclosure to Stock Exchange(s) of all events specified in **Clause 2** of this policy, 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.

Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the company shall, along with such disclosures provide explanation for delay.

Provided further that disclosure with respect to events specified in **Annexure-1 point 4** of this policy, shall be made within thirty minutes of the conclusion of the board meeting.

5. AUTHORISED PERSON FOR DETERMINING OF MATERIALITY OF ALL EVENTS SPECIFIED IN ANNEXURE -2

Executive Director, Chief Financial Officer and Company Secretary of the Company shall severally have the authority to determine Materiality of any events specified in **Annexure-2**

6. AUTHORISED KEY MANAGERIAL PERSONNEL FOR ENSURES DISCLOSURES OF THE MATERIAL INFORMATION SPECIFIED IN ANNEXURE-2 TO STOCK EXCHANGE(S).

Executive Director, Chief Financial Officer and Company Secretary of the Company shall severally be authorised for disclosures of events specified in **Annexure -1 & 2** to stock exchange(s), subject to the provisions of this Policy.

6. AMENDMENT

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

7. COMMUNICATION OF THIS POLICY

Copy of this policy duly approved shall be placed before the Board and circulated among all the Director of the Company for their necessary action. The Company Secretary is required to notify & communicate the existence and contents of this policy to the concern persons. The new employees shall be informed about the policy by the Company Secretary. This

POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND DETERMINATION OF MATERIALITY

policy as amended from time to time shall be made available at the Web site of the Company

ANNEXURE 1

Events which shall be disclosed without any application of the 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 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 credit 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;

POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND DETERMINATION OF MATERIALITY

- 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 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;
 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 Company;
 13. Proceedings of Annual and extraordinary general meetings of the Company;
 14. Amendments to memorandum and articles of association of 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.

POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND DETERMINATION OF MATERIALITY

Annexure-2

Illustrative list of events which 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/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 listed entity/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 listed entity/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.
13. 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.

****** The Company does not have any ESOP/ESPS scheme.

POLICY FOR DISCLOSURE OF EVENT OR INFORMATION AND
DETERMINATION OF MATERIALITY
