

MANGAL CREDIT AND FINCORP LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

BACKGROUND

In terms of Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”), every company which has listed its specified securities is required to frame a policy for determination of materiality of events and information for the purpose of disclosure to the stock exchanges. The Board of Directors of the Company have adopted this “Policy for Determination of Materiality of Events and Information” (Policy), in order to define guidelines for determining materiality of events / information of the Company for the purpose of disclosure to the stock exchanges in terms of the Regulations.

DEFINITION

- a. “Board” means Board of Directors of Mangal Credit & Fincorp Limited as constituted from time to time;
- b. “Company” means Mangal Credit & Fincorp Limited;
- c. “Key Managerial Personnel” means person as defined in section 2(51) of the Companies Act, 2013;
- d. “Regulations” mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any subsequent modifications/ re-enactment made thereof;

OBJECTIVE

- a. The objective of this policy is timely and transparent dissemination of information to stakeholders by making relevant information available in public domain;
- b. To ensure that Corporate documents and public statements are accurate and do not contain any misrepresentations;
- c. To protect the confidentiality of Material/ Price Sensitive information within the context of the Company’s disclosure obligations;
- d. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company;
- e. To ensure the uniformity in the Company’s approach and reduce the risk of selective disclosure.

DISCLOSURE OF EVENTS & INFORMATION

The information covered by this policy shall include “Information pertaining to the Company’s business, operations or performance which has a significant impact on securities investment decisions” (hereinafter referred to as “material information”) that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

- a. Information deemed to be material i.e. events/ information that are to be disclosed without any application of guidelines for materiality mentioned in the Regulations as specified in **Annexure A** to this policy.
- b. Information to be material based on the application of guidelines for materiality mentioned in the Regulations as specified in **Annexure B** to this policy.

Adequate disclosures shall be made to the Stock Exchange for the material events/ information specified in Annexure A and Annexure B.

CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION

Materiality however, will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information.

The Company shall consider the following criteria for determination of materiality of events/ information:

- 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. 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 listed entity, the event / information is considered material.

The events/information shall be considered material based on above criteria; where the value involved or the impact:

- a. exceeds 10% (Ten per cent) of Turnover;
 - b. exceeds 10% (Ten per cent) of Networth;
- Whichever is lower.

*The above thresholds shall be determined on the basis of the latest annual audited financial statements of the Company.

AUTHORIZATION FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT / INFORMATION AND ITS DISCLOSURE

The Managing Director and Chief Financial Officer of the Company (Designated Officers) are severally authorised to determine materiality of an event / information for the purpose of disclosure in terms of this Policy and the Regulations and for the purpose of making disclosures to the stock exchanges.

Contact details of the Designated Officers:

Sr. No.	Name	Designation	Contact Details
1	Mr. Meghraj Jain	Managing Director	1701/02, A Wing, 17 th Floor, Lotus Corporate Park, Western Express Highway, Goregaon (E), Mumbai-400063
2	Mr. Naval Maniyar	Chief Financial Officer	Tel.: +91 22-42461300 Email:compliance@mangalfincorp.com

AMENDMENTS/MODIFICATIONS

Any subsequent amendment / modification in the Regulations which makes any of the provisions in this policy inconsistent with the Regulations, then the provisions of the Regulations would prevail over the Policy. Such amendment / modification shall automatically apply to this Policy.

REVIEW OF POLICY

This policy shall be reviewed as and when considered necessary by the Board.

ANNEXURE A

EVENTS/ INFORMATION THAT ARE TO BE DISCLOSED WITHOUT APPLICATION OF MATERIALITY GUIDELINES

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 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 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 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 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 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, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor
- 7B In case of resignation of an independent director, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges:
 - i. Detailed reasons for the resignation of independent directors as given by the said director.
 - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iii. The confirmation as provided by the independent director above shall also be disclosed to the stock exchanges along with the detailed reasons as specified in point (i) above.
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 the Company, 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.

ANNEXURE B

INFORMATION TO BE MATERIAL BASED ON THE APPLICATION OF GUIDELINES FOR MATERIALITY

1. Commencement or any postponement in the date of commencement of commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
3. 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 the 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.