

MPS LIMITED**POLICY ON DETERMINATION OF MATERIALITY OF AN
EVENT/INFORMATION**

Policy ID:	PR / 31	Policy Version:	31.1
Policy Owner:	MPS Legal and Secretarial	Effective Date:	01 August 2023
Applies to:	MPS Limited	Supersedes the Version No. Dated:	31.0 dated 01 December 2015

Change History

SL. No.	Description Of Change	Date of Release	Version No.	Approved By
1.	Baseline Version	01 December 2015	1.0	Board of Directors
2.	Modifications pursuant to amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	01 August 2023	1.1	Board of Directors

MPS LIMITED**POLICY ON DETERMINATION OF MATERIALITY OF AN
EVENT/INFORMATION****1. Purpose and Objective:**

MPS Limited (“the Company”), being a listed entity, is obliged to make disclosures of any material events or information under and in accordance with Regulation 30 and 30A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Regulations”).

This Policy is framed by the Board of Directors of the Company (“the Board”) for the determination of the materiality of events or information to be disclosed by the Company pursuant to and in accordance with the Regulations.

2. Disclosure of material events or information by the Company and authorization for determination of materiality and making disclosures:

2.1 The Company shall make a disclosure of all events specified in Para A of Part A of Schedule III to the Regulations which are reproduced in **Annexure A** to this Policy, such events being deemed to be material events and as such mandatorily required to be disclosed by it without applying the criteria for determination of materiality of events or information referred to in regulation 2.2 below.

2.2 The Company shall also make a disclosure of events specified in Para B of Part A of Schedule III to the Regulations which are reproduced in **Annexure B** to this Policy based on the based on application of the guidelines for materiality of events or information. The Company shall consider the following criteria for the determination of the materiality of events or 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 a significant market reaction if the said omission came to light at a later date;
- c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (i) two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - (ii) two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - (iii) five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company;
- d) In case where the criteria specified in sub-clauses (a), (b) and (c) are not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company, the event or information is considered material.

- 2.3 The Company shall also make a disclosure of all other information/event viz. major development that is likely to affect business, with the brief details thereof and any other information which is exclusively known to the Company 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 of the Company.
- 2.4 In addition to the events or information referred to in regulations 2.1 to 2.3 above, the Company may make disclosures of events or information as specified by the Board from time to time.
- 2.5 The Board has duly authorized the Key Managerial Personnel (KMPs) of the Company as specified in Annexure C to this Policy (a) to determine on behalf of the Company the materiality of any event or information, (b) decide to make the required disclosures on behalf of the Company for such material events or information to Stock Exchange(s) and of update material developments on a regular basis till such time as the event is resolved/closed with relevant explanations, (c) provide a specific and adequate reply on behalf of the Company to all queries raised by Stock Exchange(s) with respect to any event or information, and (d) confirm or deny, on his own initiative, any reported event or information to the Stock Exchange(s).
- 2.6 The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of the Regulations as soon as reasonably possible and in any case not later than the following:
- i. thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;
 - ii. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
 - iii. twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.
- Further, disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the Regulations shall be made within such timelines.
- 2.7 The Company shall the events or information as specified in Regulation 30A of the Regulations as per below:
- i. **Future agreements (Reg. 30A(1)):** the parties to the agreements shall inform the Company about the agreement specified in Annexure A Clause 5A of Para A of Part A of Schedule III to the Regulations to which such a Company is not a party within two working days of entering into the agreement or signing an agreement to enter into such agreements.
 - ii. **Subsisting agreements (proviso to Reg. 30A(1)):** the parties to the subsisting agreements shall inform the Company about the agreement to which such Company is not a party within the stipulated timelines as specified in the Regulations. The Company shall also disclose all such subsisting agreements to the stock exchange(s) and on its website within the stipulated timelines as specified in the Regulations.
- 2.8 As specified in Regulation 30(4), any continuing event or information which becomes material pursuant to the notification of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023, shall be disclosed by the Company to the stock exchange(s) and on its website within the stipulated timelines as specified in the Regulations.
- 2.9 The Company shall disclose all events or information with respect to its material subsidiaries.

3. Guidelines for determining the materiality of Events or Information:

- 3.1** Where any employee of the Company has or acquires knowledge of an event or information which is, or is likely to be considered, of a material nature as envisaged by the Regulations or this Policy, such employee shall forthwith notify the same to the concerned Divisional Manager / Functional Heads of the Company who in turn shall promptly convey the same to the Chief Financial Officer and/or the Company Secretary, of the Company.
- 3.2** Should the Chief Financial Officer and in his absence for any reason, the Company Secretary, after review of any such event or information conveyed to him as provided in regulation 4.1 above, also considers that the same is of a material nature as envisaged by the Regulations or this Policy, the Company Secretary shall disclose the material event or information to the Stock Exchange(s).
- 3.3** No media / public announcement/ publication shall be made by or on behalf of the Company of, or related to, a material event or information until after the same has been first approved by the Chief Financial Officer and, in his absence for any reason, by the Chief Executive Officer (CEO) of the Company.
- 3.4** Where the Company is not certain about the materiality of any event or information, it may seek external legal advice.

4. Amendments**4.1 Amendments to the Policy:**

This Policy may be amended by the Board from time to time if and when considered necessary, provided that no such amendments shall be valid or effective which are contrary to or inconsistent with the Regulations.

4.2 Amendment in Law

Any subsequent amendment/ modification in the Listing Regulations and/or applicable laws in this regard shall automatically apply to this Policy.

5. Hosting of information on the website of the Company:

All disclosures made by or on behalf of the Company of events or information to the Stock Exchange(s) under or pursuant to the Regulations or this Policy, shall be hosted on the Company's website for a minimum period of five years in accordance with the Regulations.

6. Board approval:

This revised Policy on Determination of Materiality of an Event/Information has been approved by the Board of Directors of the Company in their meeting on 01 August 2023. This shall come into force w.e.f. 01 August 2023.

Annexure A**Events or Information which shall be disclosed without any application of the guidelines for materiality**

The following events or information as specified in Para A of Part A of Schedule III of the Regulations shall be disclosed to the stock exchanges without any application of the guidelines for materiality:

1. Acquisition(s) (including the agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in the associate company or any other restructuring.

1.1 Acquisition (including an agreement to acquire):

- a) name of the target entity, details in brief such as size, turnover etc.;
- b) whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired. If yes, the nature of interest and details thereof and whether the same is done at “arm’s length”;
- c) industry to which the entity being acquired belongs;
- d) objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the Company);
- e) brief details of any governmental or regulatory approvals required for the acquisition;
- f) indicative time period for completion of the acquisition;
- g) consideration - whether cash consideration or share swap or any other form and details of the same;
- h) cost of acquisition and/or the price at which the shares are acquired;
- i) a percentage of shareholding/control acquired and/or number of shares acquired;
- j) brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, the country in which the acquired entity has presence, and any other significant information (in brief);

1.2 Amalgamation/ Merger:

- a) name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;
- b) whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;
- c) area of business of the entity(ies);
- d) rationale for amalgamation/ merger;
- e) in case of cash consideration - amount or otherwise share exchange ratio;
- f) brief details of the change in the shareholding pattern (if any) of the Company.

1.3 De-merger:

- a) brief details of the division(s) to be demerged;
- b) turnover of the demerged division and as a percentage of the total turnover of the Company in the immediately preceding financial year / based on financials of the last financial year;
- c) rationale for demerger;
- d) brief details of the change in shareholding pattern (if any) of all entities;
- e) in case of cash consideration - amount or otherwise share exchange ratio;
- f) whether a listing would be sought for the resulting entity.

1.4 Sale or disposal of unit(s) or division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in the associate company:

- a) the amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company during the last financial year;
- b) the date on which the agreement for sale has been entered into;
- c) the expected date of completion of sale/disposal;
- d) consideration received from such sale/disposal;
- e) brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof;
- f) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";
- g) whether the sale, lease or disposal of the undertaking is outside the Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations.
- h) additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the Company with respect to such slump sale.

For the purpose of this sub-clause, "slump sale" shall mean the transfer of one or more undertakings, as a result of the sale for a lump sum consideration, without values being assigned to the individual assets and liabilities in such sales.

1.5 Other Restructuring:

- a) details and reasons for restructuring;
- b) quantitative and/ or qualitative effect of restructuring;
- c) details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring;
- d) brief details of the change in shareholding pattern (if any) of all entities.

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, the redemption of securities etc.

3. New Rating(s) or 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 the buyback of securities;
- d) the decision with respect to fundraising 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 any stock exchange(s).

The intimation of the outcome of the meeting of the board of directors shall also contain the time of commencement and conclusion of the meeting.

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 the normal course of business, revision(s) or amendment(s) and termination(s) thereof.

5A. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements: Provided that such agreements entered into by the Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of any other provisions of these regulations.

- a) if the Company is a party to the agreement,
 - i. details of the counterparties (including name and relationship with the Company);
- b) if the Company is not a party to the agreement,
 - i. name of the party entering into such an agreement and the relationship with the Company;
 - ii. details of the counterparties to the agreement (including name and relationship with the Company);
 - iii. date of entering into the agreement.
- c) purpose of entering into the agreement;
- d) shareholding, if any, in the entity with whom the agreement is executed;

- e) significant terms of the agreement (in brief);
 - f) the extent and the nature of the impact on management or control of the Company;
 - g) details and quantification of the restriction or liability imposed upon the Company;
 - h) whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, the nature of the relationship;
 - i) whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;
 - j) in case of issuance of shares to the parties, details of the issue price, class of shares issued;
 - k) any other disclosures related to such agreements, viz., details of the nominee on the board of directors of the Company, the potential conflict of interest arising out of such agreements, etc.;
 - l) in case of rescission, amendment or alteration, the Company shall disclose additional details to the stock exchange(s):
 - i. name of parties to the agreement;
 - ii. nature of the agreement;
 - iii. date of execution of the agreement;
 - iv. details and reasons for amendment or alteration and impact thereof (including impact on management or control and on the restriction or liability quantified earlier);
 - v. reasons for rescission and impact thereof (including impact on management or control and on the restriction or liability quantified earlier).
- 6. Fraud or defaults by the Company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the Company, whether occurred within India or abroad.**
- 6.1.** At the time of unearthing of fraud or occurrence of the default/arrest:
- a. nature of fraud/default/arrest;
 - b. estimated impact on the Company;
 - c. time of occurrence;
 - d. person(s) involved;
 - e. estimated amount involved (if any);
 - f. whether such fraud/default/arrest has been reported to appropriate authorities.
- 6.2.** Subsequently intimate the stock exchange(s) further details regarding the fraud/default/arrest including:
- a. actual amount involved in the fraud /default (if any);
 - b. actual impact of such fraud /default on the Company and its financials; and
 - c. corrective measures taken by the Company on account of such fraud/default.
- 7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc), senior management, Auditor and Compliance Officer.**
- 7A.** In case of resignation of the auditor of the Company, detailed reasons for the resignation of the auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty-four (24) 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 Company, 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, detailed reasons for the resignation as given by the said director along with the Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
 - ii.** The independent director shall, along with the detailed reasons, also provide a confirmation that there are no other material reasons other than those provided.
 - iii.** The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii) above.
- 7C.** In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.
- 7D.** In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty-five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
- 8.** Appointment or discontinuation of the share transfer agent.
- 9.** Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.
- 10.** One-time settlement with a bank.
- 11.** 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 the Company.
- 15. (a)** Schedule of Analyst or institutional investor meetings at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the Company to analysts or institutional investors.

(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:

16. Events in relation to the corporate insolvency resolution process (CIRP) under the Insolvency Code.

17. Initiation of Forensic audit by whatever name called.

18. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a Company, in relation to any event or information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company.

19. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:

- a) search or seizure; or
- b) re-opening of accounts under section 130 of the Companies Act, 2013; or
- c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;

20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:

- (a) suspension;
- (b) imposition of fine or penalty;
- (c) settlement of proceedings;
- (d) debarment;
- (e) disqualification;
- (f) closure of operations;
- (g) sanctions imposed;
- (h) warning or caution; or
- (i) any other similar action(s) by whatever name called;

21. Voluntary revision of financial statements or the report of the board of directors of the Company under Section 131 of the Companies Act, 2013.

Annexure B**Events or Information which shall be disclosed upon application of the guidelines for materiality**

The following events or information as specified in Para B of Part A of Schedule III of the Regulations shall be disclosed to the stock exchanges upon any 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. Any of the following events pertaining to the Company:
 - a) arrangements for strategic, technical, manufacturing, or marketing tie-up,
 - b) adoption of new lines of business
 - c) 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) or any other agreement(s) which are binding and not in the 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. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
9. Fraud/defaults etc. by employees of the Company which has or may have an impact on the Company.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety, by whatever name called for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

Annexure C**Authorization of Key Managerial Personnel (KMPs) along with Contact Details under Regulation 30(5) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015**

In compliance with Regulation 30(5) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, please find below the contact details of Key Managerial Personnel (KMPs) who have been authorized for the purpose of determining the materiality of an event or information of the company and for the purpose of making disclosures to Stock Exchange for the same:

For determining the materiality of an event or information:

S.No.	Name	Designation
1	Mr. Rahul Arora	Chairman and CEO
2	Mr. Sunit Malhotra	Chief Financial Officer

For making disclosures to Stock Exchanges:

S.No.	Name of the KMPs	Designation
1	Mr. Rahul Arora	Chairman and CEO
2	Mr. Sunit Malhotra	Chief Financial Officer
3	Raman Sapra	Company Secretary

Contact detail of Key Managerial Personnel:

MPS Limited
A-1, Tower A, 4th floor, Windsor IT Park, Sector 125, Noida-201303
Tel: +91-120-4599750
E-mail: investors@mpslimited.com