



SAFETY AT EVERY STEP

MAYUR LEATHER PRODUCTS LIMITED

Regd. Office:B-5,Vrindavan Apartments, Vrindavan Vihar, Kings's Road Jaipur-302019

CIN: L19129RJ1987PLC003889

**POLICY FOR
DETERMINATION OF
MATERIALITY
OF EVENTS OR
INFORMATION**

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1. LEGAL FRAMEWORK

This Policy for Determination of Materiality of Events or Information is aimed at providing guidelines to the management of Mayur Leather Products Limited, to determine the materiality of events or information, which could affect investment decisions and ensure timely and adequate dissemination of information to the Stock Exchange(s) (as hereinafter defined).

This Policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to disclosure of events and information.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors approved the "Policy for Determination of Materiality of Events or Information". The Board shall review, and if found required, may amend this Policy from time to time.

2. OBJECTIVE

The objective of this Policy is to serve as a guiding charter to the management to ensure that timely and adequate disclosure of events or information are made to the investor community by the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to enable them to take well informed investment decisions with regard to the securities of the Company.

3. INTRODUCTION

- (a) "**Act**" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.
- (b) "**Board of Directors**" means the Board of Directors of the Mayur Leather Products Limited, as constituted from time to time.
- (c) "**Company**" means Mayur Leather Products Limited.
- (d) "**Key Managerial Personnel**" means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.
- (e) "**Listing Regulations**" means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (f) "**Policy**" means this policy, as amended from time to time.
- (g) "**SEBI**" means the Securities and Exchange Board of India.
- (h) "**Rules**" means the rules made under the Companies Act, 2013.
- (i) "**Stock Exchange**" means Bombay Stock Exchange of India Limited, where the equity shares of the Company is listed.

4. EVENTS WHICH ARE DEEMED TO BE MATERIAL EVENTS

The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the Listing Regulations (as applicable from time to time) without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the Listing Regulations.

5. EVENTS WHICH ARE DEPENDENT ON APPLICATION OF GUIDELINES FOR MATERIALITY

The Company shall disclose all such material events pertaining to itself specified in Para B of Part A of Schedule III of the Listing Regulations subject to application of guidelines for materiality.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

Quantitative criteria would be calculated based on audited financial statements of the last audited financial year, and would mean event/ information where the value involved or the impact:

- (a) Exceeds ten per cent of the consolidated gross turnover, or
- (b) Exceeds ten per cent of the consolidated net worth;

Whichever is lower.

Qualitative criteria would mean an event/ 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; or
- (c) any other event/information may be treated as being material if in the opinion of the Board of Directors of Company, the event / information is considered material.

6. ANY OTHER INFORMATION / EVENT WHICH IS TO BE DISCLOSED BY THE COMPANY

The Company shall disclose major developments that are 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 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.

7. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION

The occurrence of material event/information would be either by the Company's own accord or not in the hands of the Company. It can be categorized as under:

- (a) depends upon the stage of discussion, negotiation or approval; and
- (b) in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 7(a), the events/information can be said to have occurred upon receipt of approval of Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending shareholder's approval.

In respect of the events under 7(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

- a. Regulation 30 of the Listing Regulations mandates disclosure of all *deemed* material events to the stock exchanges. These events have been specified in Para A of Part A of Schedule III of the Listing Regulations and shall be disclosed as applicable from time-to-time. These events are also listed in Annexure A to this Policy. These events will be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information except for events stated in item 4 of Annexure A which shall be disclosed within thirty minutes of the conclusion of the Board Meeting. In case the disclosure is made after twenty four hours of occurrence of the event or information, the rationale for the delay will be provided along with such disclosures.
- b. For disclosure of certain events (as specified in Para B of Part A of Schedule III) of the Listing Regulations, to the stock exchanges (as reproduced in Annexure B to this Policy) the following criteria shall be considered by the Board for determining whether the events are material or not:
- c. Where the omission of an event or information, is likely to result in:

- i. Discontinuity or alteration of event or information already available publicly or
- ii. A significant market reaction if the said omission came to light at a later date.

This Policy shall also apply to the events to which neither Para A or Para B of Part A of Schedule III applies but have a material effect on the Company in the opinion of the Board of Directors of the Company

8. AUTHORIZE KEY MANAGERIAL PERSONNEL (KMP) FOR THE PURPOSE OF DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR THE PURPOSE OF MAKING DISCLOSURES TO STOCK EXCHANGE

The following KMPs are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange(s) ("**Authorized Person(s)**"):

- a. Chief Executive Officer
- b. Chief Financial Officer
- c. Company Secretary

The materiality of events outlined above are indicative in nature. There may be a likelihood of some unforeseen events emerging due to the prevailing business scenario from time to time. Hence, the relevant Authorized Person should exercise his/her own judgment while assessing the materiality of events associated with the Company. In case the relevant Authorized Person perceives any doubt regarding materiality he/she may consult Chairman or any other Director before disclosing the information to the Stock Exchange(s).

Details of above KMPs shall be also disclosed to the Stock Exchange(s) and as well as on Company's website.

9. AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

10. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations / Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

11. DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.

Annexure A

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 Company or any other restructuring;

Explanation - '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;
 - 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.
 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 listed entity to analysts or institutional investors;
- B. Illustrative list of events which shall be disclosed upon application of the guidelines for materiality as specified in 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. Litigation(s)/ dispute(s)/ regulatory action(s) with impact;
 4. Effect(s) arising out of change in the regulatory framework applicable to the Company
 5. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business;
 6. 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;
 7. 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.;

8. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company;
 9. Options to purchase securities including any ESOP/ESPS Scheme;
 10. Giving of guarantees or indemnity or becoming a surety for any third party;
 11. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;
 12. Capacity addition or product launch;
- 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 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.
- 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.

This policy has been updated and approved by the Board of Directors of the Company in their meeting held on 01.02.2019.

For & on Behalf of Board of Directors

**Sd/-
Ramesh Kumar Poddar
Director & CEO**