

MPS Limited

POLICY ON DETERMINATION ON 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 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 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 authorisation 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 / 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 criteria for determination of materiality of events / information specified in Sub -Regulation 4(i) of Regulation 30 of the Regulations.

2.3 In addition to the events / information referred to in regulations 2.1 and 2.2 above, the Company shall also make a disclosure of any events or information which, in the opinion of the Board, is considered material.

2.4 The Board has duly authorised the Chief Financial Officer of the Company to (a) determine on behalf of the Company the materiality of any events 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 updated material developments on a regular basis till such time as the event

is resolved / closed with relevant explanations, (c) provide 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).

2.5 Upon determination as in regulation 2.4 above, the Company Secretary shall make all disclosures to the Stock Exchange(s) required to be made in terms of the authority conferred under regulation 2.4 above and, in his absence for any reason, the Chief Financial Officer shall then make all such disclosures to the Stock Exchange(s).

2.6 All disclosures made to the Stock Exchange(s) by the Company Secretary and, in his absence for any reason, by the Chief Financial Officer shall be duly signed and dated by the Company Secretary, and/ or the Chief Financial Officer, as the case may be.

3. Guidelines for determining materiality of Events / 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 3.1 above, also consider 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 Company Secretary of the Company.

3.4 Where the Company is not certain about materiality of any event or information, it may seek the external legal advice.

4. Amendments to 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.

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 Policy is approved by the Board of Directors on October 26, 2015 to be effective from December 1, 2015.

Events or Information need to be disclosed mandatorily without applying the test of materiality

The following events or informations as specified in para A of Part A of Schedule III of the Regulations would be disclosed to the stock exchanges without applying 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 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 Company from any 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.
 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 the Company.
 15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;

Events or Information need to be disclosed upon application of test of materiality

The following events or information as specified in para B of Part A of Schedule III of the Regulations would be disclosed to the stock exchange(s) after applying the test of 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 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.

Contact Details of the person authorized by the Board to determine the materiality of event are as under:

| Name | Designation | Contact Details |
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| Mr. Sunit Malhotra | Chief Financial Officer | MPS Limited C-35, Sector – 62, Noida – 201307 Direct: 0120 – 4599753 Email: sunit.malhotra@adi-mps.com |