



**CHAMBAL FERTILISERS
AND CHEMICALS LIMITED**

**POLICY FOR DETERMINATION OF
MATERIALITY
OF EVENTS FOR DISCLOSURE
TO STOCK EXCHANGES**

[This version of the Policy for Determination of Materiality of Events for Disclosure to Stock Exchanges is applicable with effect from August 8, 2023]

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POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS FOR DISCLOSURE TO STOCK EXCHANGES

1. INTRODUCTION

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Chambal Fertilisers and Chemicals Limited ("the Company") is required to formulate a policy for determination of materiality of events and information which are required to be disclosed to the stock exchanges where the securities of the Company are listed ("Stock Exchanges"). Accordingly, the Board of Directors of the Company at its meeting held on November 3, 2015 approved and adopted this "Policy for Determination of Materiality of Events for Disclosure to Stock Exchanges" ("Policy") which was effective from December 1, 2015. The Policy has been amended by the Board of Directors with effect from August 08, 2023.

2. OBJECTIVE

The Policy aims to provide a framework for determining materiality of events and information for the purpose of making disclosure to Stock Exchanges in terms of Regulation 30 of Listing Regulations.

3. CRITERION FOR DETERMINATION OF MATERIALITY

The following criterion/ thresholds shall be considered for determination of materiality of events and information:

- a) The omission of an event or information 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) The omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (1) two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - (2) 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;
 - (3) 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 criterion specified in sub-clauses (a), (b) and (c) above are not applicable, an event/ 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.

4. MATERIAL EVENTS AND INFORMATION

4.1. The events specified in Para A of Part A of Schedule III to the Listing Regulations shall be deemed to be material events for the purpose of disclosure to the Stock Exchanges, without application of materiality criterion/ thresholds given in clause 3 above.

4.2. The following events and information conforming to the materiality criterion given in clause 3 above shall be considered material for the purpose of disclosure to the Stock Exchanges in terms of Regulation 30(3) of the Listing Regulations:

Sr. No.	Event / Information
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; or (b) adoption of new line(s) of business; or (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
3.	Capacity addition or product launch.
4.	Awarding, bagging/ receiving a contract or order or amendment or termination thereof, not in the normal course of business.
5.	Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and any revision(s) or amendment(s) or termination(s) thereof.
6.	Disruption of operations of any one or more units or divisions of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or other 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 or defaults 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 named 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.

4.3 The Company shall also disclose any other event or information to the Stock Exchanges which is considered material by the Board of Directors of the Company.

4.4. The aforesaid events and information shall be disclosed to the Stock Exchanges in the manner prescribed under Listing Regulations.

5. AUTHORITY

5.1. The Board of Directors of the Company has authorised the Managing Director, Chief Financial Officer and Company Secretary, any two of them acting jointly, to determine the materiality of any event/ information (including that of its subsidiaries) for the purpose of disclosure to the Stock Exchanges.

5.2 Normally, the Company Secretary shall make necessary disclosures of events or information to the Stock Exchanges under Regulation 30 of Listing Regulations. However, such disclosures can also be made either by the Chief Financial Officer or Managing Director of the Company.

6. AMENDMENT

This Policy can be amended, modified or revised by the Board of Directors of the Company from time to time. In case any provisions of this Policy are contrary to or inconsistent with the provisions of the Companies Act, 2013, rules framed thereunder and Listing Regulations ("Statutory Provisions"), the provisions of Statutory Provisions shall prevail.