

CHEMCRUX ENTERPRISES LIMITED
Policy for Determination of Materiality



Registered Office: 330, TRIVIA Complex, Natubhai Circle, Racecourse

Vadodara- 390 007

Website : www.chemcrux.com

Chemcrux Enterprises Limited – Policy for Determination of Materiality

POLICY FOR DETERMINATION OF MATERIALITY

1. Preamble and Objective:

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the listed entity shall promptly inform to the stock exchanges of all events which are material, all information which is price sensitive and/or have bearing on performance/operation of the listed entity.

The objective of the Policy is to ensure timely and adequate disclosure of material events and price sensitive information under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by Chemcrux Enterprises Limited.

The Board of Directors (the “Board”) of Chemcrux Enterprises Limited had adopted this Policy for determining Materiality of Events for Disclosures (the “Policy”) on 20th December, 2016 and reviewed and revised the Policy on 20th February, 2021.

2. Definitions:

“**Board of Directors**” or “**Board**” means the Board of Directors of Chemcrux Enterprises Limited, as constituted from time to time.

“**Company**” means Chemcrux Enterprises Limited.

“**Material Events**” or “**Material Information**” means any event / information which relates to the Company and which, if published is likely to materially affect the price of shares of the Company.

“**Policy**” means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

“**Regulations**” mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

“**Schedule**” means Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended or modified from time to time by Securities Exchange Board of India .

“**Key Managerial Personnel**” means Key Managerial Personnel or KMP as defined in sub-section (51) of section 2 of the Companies Act, 2013.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) or any other applicable law or regulation to the extent applicable to the Company.

3. Key Principles in Determining Materiality

The SEBI LODR Regulations, 2015 divide the events that need to be disclosed broadly in four categories viz.

- A. Events which shall be disclosed without any application of test of Materiality as indicated in Para A of Part A of Schedule III.

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- B. Events which shall be disclosed upon application of guidelines for Materiality are indicated in Para B of Part A of Schedule III.
- C. Any other information / event viz. major development that is likely to affect the business.
- D. Events and information as specified by the Securities and Exchange Board of India from time to time, events or information which, in the opinion of the Board of Directors of the Company, are material and Any other information / event which has not been indicated in above A, B and C, which may have material effect on it.

4. Authorisation for disclosures:

- a. The Board of Directors has authorized one or more Key Managerial Personnel i.e Managing Director, Whole Time Director, Chief Financial Officer and Company Secretary of the Company for the purpose of determining materiality of event or information and for the purpose of making disclosures to stock exchange(s).
- b. Contact Details of Authorised Person : The Authorised Persons can be contacted on the following mail id : girishshah@chemcrux.com ; companysec@chemcrux.com

5. Criteria for determining materiality of events / information :

The Authorised Persons shall frame their opinion on a case to case basis, based on specific facts and circumstances relating to materiality of the information/ event and while doing so, 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 later date.
- c) In case where the criteria specified above in (a) and (b) are not applicable, an event / information may be treated as being material if in the opinion of the board of directors , the event /information is considered material.

6. Disclosures of Events and Information

- (i) Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30): ***All events / information as enumerated in PART A (A) Schedule III of the SEBI (LODR) Regulations 2015 as may be amended, substituted or modified from time to time.***
- (ii) Events which shall be disclosed upon application of the guidelines for materiality referred 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);

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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 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;

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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

Event and Information specified in Part A of Schedule III of the Regulations shall be disclosed to the Stock Exchange by the Company as soon as reasonably possible and not later than 24 hours (Twenty four hours) from the occurrence of the event.

In case of the disclosure is made after 24 hours of occurrence of such event or information, the Company shall along with the disclosures provide an explanation for delay of the same.

Provided that disclosure with respect to events / information specified in Sub-para 4 of Para A of Part A of Schedule III shall be made within 30 minutes (Thirty minutes) of the conclusion of the Board Meeting to the Stock Exchange by the Company.

7. Disclosure on website of the Company

This Policy shall be disclosed on the website of the Company www.chemcrux.com

The Company shall also disclose on its website all such events or information which has been disclosed to stock exchanges under this Policy, and such disclosures shall be hosted on the website of the Company for a period of five years.

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8. Scope and Limitation

In the event of any conflict between the provisions of this Policy and the Regulations or any other statutory enactments, the statutory enactments and Regulations shall prevail over this Policy.

9. Amendments and updates

The Board of Directors may amend this Policy from time to time as may be required to comply with the applicable laws and Regulations.

