

DEEPAK FERTILISERS AND PETROCHEMICALS
CORPORATION LIMITED

Policy for Determination of Materiality and Dissemination of information

1. Purpose:

- 1.1 This Policy is framed in accordance with the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) for determination of materiality, based on criteria specified in these Regulations for dissemination of information to the investors/other stakeholders.
- 1.2 The objective and purpose of this Policy is to determine materiality of events or information relating to the Company and its business operations to ensure that such event or information is timely and adequately disclosed and disseminated to the all the stakeholders of the Company in pursuance of the Listing Regulations and, generally to provide an overall governance framework for such determination of materiality.

2. Overview and Effective Date:

- 2.1 This Policy lays down various criteria adopted by the Company in accordance with the Listing Regulations for determining materiality of an event/ information and document a process for dissemination of information and disclosures to various stakeholders through appropriate channels.
- 2.2 This Policy shall come into effect from December 1, 2015 and on such other date as may be specified by the Board upon revision of this policy.

3. Material Event or Information:

3.1 Deemed Material Events under the Listing Regulations

In terms of Listing Regulations, Events/information specified in Para A of Part A of Schedule III to the Listing Regulations shall be deemed as Material and the Company shall make disclosure of such events/information as per the timelines specified in Clause 5 below without applying any criteria of materiality in the following manner:

- i. inform the stock exchanges in which the securities of the Company are listed;
- ii. upload on the corporate website of the Company;

- 3.2 The Company shall make disclosure of events/ information as specified in Para B of Part A of Schedule III to the Listing Regulations to the Stock Exchange based on application of guidelines for determining Materiality as per clause 3.7 of the Policy;
- 3.3 The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations;
- 3.4 The Company shall disclose all events or information with respect to its Material Subsidiaries which are material for the Company;
- 3.5 The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further, Company at its own discretion shall confirm or deny any event or information to stock exchange(s) reported in the media; and
- 3.6 All the above disclosures would be hosted on the website of the Company for a minimum period of five years or for such other period, if the period prescribed shall be more than five years by the Listing Regulations. After completion of the minimum period of five years or such other period as prescribed by the Listing Regulations, the events or information shall be archived by the Company for a further period of two years. Thereafter such events or information may cease to be displayed on the website of the Company.

3.7 Guidelines for determining Materiality of event or information:

3.7.1 Following criteria shall be considered for determination of materiality of events/ information other than for the Deemed Material Information listed in Clause 3.2 above:

- (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- (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;
- (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 listed entity;
 - (ii) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - (jj) 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 listed entity;

- (d) In cases where the above guidelines for determining materiality cannot be applied; an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

Provided further that in case the criteria specified in (c) above is amended in the Listing Regulations, then such criteria shall apply without any revision to this policy.

4. Approval Process and Authority

- 4.1 The Managing Director shall be authorised to determine materiality of an event or information, verifying or denying rumours and approve disclosure to the Stock Exchange and on the Company Website. In absence of the Managing Director, the Chairman of the Board or Whole-time Director can approve dissemination of information.
- 4.2 The Company Secretary shall be authorised to make the disclosure of any material information duly approved by the Managing Director / Chairman/Whole-time Director to the Stock Exchange, and on the Company Website.
- 4.3 The Company Secretary along with Head of Corporate Communication and Investor Relations shall be authorized to disseminate approved information to Media.
- 4.4 Other Employees and Company representatives receiving any inquiries from the investment community shall not respond to such inquiries other than to refer the inquirer to the Company Secretary.

5. Timelines for Disclosures of information:

- 5.1 Disclosure required under Clause 3 above shall be first made to the Stock Exchange where shares of the Company are listed, 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;

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

- 5.2 Disclosure with respect to events specified in Item no 4 of Para A of Part A of Schedule III to the Listing Regulations regarding Outcome of the Board meetings shall be made within thirty minutes of the conclusion of the Board meeting.
- 5.3 Any information/ disclosures shall be given first to the Stock Exchange where the shares of the Company are listed, before providing the same to any third party.

6. General Provisions :

- 6.1 The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- 6.2 The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- 6.3 The Company shall follow uniform and universal dissemination of information to avoid selective disclosure.
- 6.4 While dealing with analysts or research persons or large investors like institutions, the Company shall provide only public information. Alternatively, the information given to analysts or research persons shall be simultaneously made public at the earliest.
- 6.5 The Company employees shall handle all Material/unpublished price sensitive information on a need to know basis in accordance with the Company's internal insider trading policies.
- 6.6 In case where an event occurs or information is available with the Company, which has not been indicated in Para A or Para B of Schedule III to the Listing Regulations, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.
- 6.7 In the event of any conflict between the provisions of this Policy and any law, rules, regulations for the time being in force in India, such law, rules and regulations shall prevail over such provisions under this Policy.

7. Disclosure of the Policy:

- 7.1 The Policy on Determination of Materiality of Events or Information shall be displayed on the Company's Website and address of such web link shall be provided in the Annual Report of the Company.

8. Review of this Policy :

- 8.1 This Policy shall be subject to review by the Board of Directors at such intervals as may be deemed necessary. Changes (if any) recommended by the Committee shall be placed before the Board for its approval. The Policy stands automatically revised in case of any amendment to the SEBI Listing Regulations or SEBI Insider Trading Regulations. In any case, these Regulations or provisions of any other law, rules and regulations shall prevail over the provisions of this Policy.