



**THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED**

**CIN: L24129KL1943GOI000371**

Registered Office: Eloor, Udyogamandal – 683 501, Kochi, Kerala

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**POLICY FOR DETERMINATION OF MATERIAL / PRICE SENSITIVE INFORMATION  
AND DISCLOSURE OBLIGATIONS**

**PREAMBLE**

This Policy shall be called “POLICY FOR DETERMINATION OF MATERIAL / PRICE SENSITIVE INFORMATION AND DISCLOSURE OBLIGATIONS” (hereinafter referred to as “the Policy”) of The Fertilisers And Chemicals Travancore Limited (hereinafter referred to as “FACT”).

The Policy has been framed in compliance with the provisions of Regulation 30(4)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) which inter-alia, requires every Listed Company to disclose material events or information to the Stock Exchanges (hereinafter referred to as “Exchange”) wherein its securities are listed.

**OBJECTIVES OF THE POLICY**

The objectives of this Policy are as follows:

- *To ensure continuous, adequate, accurate and timely disclosure of information by FACT to the Stock Exchanges on an ongoing basis to enable the investors to make informed investment decisions*
- *To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation*
- *To protect the confidentiality of material/ price sensitive information within the context of the Company’s disclosure obligations*
- *To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures*

## **EFFECTIVE DATE**

This policy shall become effective from 12-08-2021, the date of adoption by the Board of Directors.

## **DETERMINATION OF MATERIALITY**

In order to determine whether a particular event / information is material in nature, the following 'quantitative' or 'qualitative' criteria(s) shall be applied:

**a) Quantitative Criteria:** Where the value involved in an event or the impact of an event exceeds 10% of the gross turnover or revenue or total income; or exceeds 10% of the net worth, as per the audited consolidated financial statements of last financial year, whichever is lower.

**b) Qualitative Criteria:** In absence of quantitative criteria, event shall be considered material if;

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. 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
- iii. event or information as may be decided by the Competent Authority or Board of Director.

## **CLASSIFICATION OF MATERIAL EVENTS / INFORMATION**

### **I. Deemed Material Event / Information**

The following events / information shall be necessarily disclosed to the Exchange(s):

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 listed entity 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) FACT 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: FACT 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 listed entity 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 listed entity), 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 FACT.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

(7A) In case of resignation of the auditor of FACT, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor.

(7B) Resignation of Independent Director including reasons for resignation: In case of resignation of an independent director of FACT, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by FACT:

- i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed.

8. Appointment or discontinuation of share transfer agent.

9. Resolution plan / Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:

- (i) Decision to initiate resolution of loans/borrowings;
- (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
- (iii) Finalization of Resolution Plan;
- (iv) Implementation of Resolution Plan
- (v) Salient features, not involving commercial secrets, of the resolution/restructuring plan as decided by lenders

10. One time settlement with a bank.

11. Reference to NCLT 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.

13. Proceedings of Annual and extraordinary general meetings.

14. Amendments to memorandum and articles of association.

15. (a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors. Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

- the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or

within twenty-four hours from the conclusion of such calls, whichever is earlier;

- the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

- a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
- b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
- c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
- d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
- e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
  - Pre and Post net-worth of the company;

- Details of securities continuing to be imposed on the companies' assets;
- Other material liabilities imposed on the company;
- Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
- Details of funds infused in the company, creditors paid-off;
- Additional liability on the incoming investors due to the transaction, source of such funding etc.;
- Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
- Brief description of business strategy.

m) Any other material information not involving commercial secrets.

n) The details as to the delisting plans, if any approved in the resolution plan.

17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by the Company:

- a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
- b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.

## **II. Event / Information on the basis of guidelines for materiality**

The following events / information shall be disclosed to the Exchange(s) upon application of the guidelines for 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 listed entity 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 listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
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.

**III.** 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 FACT, which may be necessary to enable the holders of securities to appraise its position and to avoid the establishment of a false market in such securities.

**IV.** Without prejudice to the generality of para (I), (II) and (III) above, FACT may make disclosures of event/information as specified by the Board from time to time.

### **DISCLOSURE OBLIGATIONS**

All Senior Management Personnel / Officers of FACT shall be under an obligation to disclose material event and/or price sensitive information to the Compliance Officer.

Upon receipt of information mentioned above, the Compliance Officer shall make disclosure of the material events / price sensitive information to the Stock Exchange(s) in line with the objective of the policy.

The Compliance Officer shall disclose all material events / information mentioned in clause I & II as soon as reasonably possible and not later than twenty four hours (24 hrs) from the occurrence of events or information.

In case the disclosure is made after twenty four hours of occurrence of event or information, the explanation for delay shall also be provided along with the disclosure.

**Post announcement on website:** After making the announcement with the Stock Exchanges, the Company Secretary will arrange to place it on the website of the Company. Such disclosures shall be hosted on the website of the listed entity for a minimum period of five (5) years.

### **CONTACT DETAILS**

Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Company Secretary and Compliance Officer, who is in charge of administering, enforcing and updating this Policy.

**Company Secretary and Compliance Officer**  
The Fertilisers And Chemicals Travancore Limited  
Udyogamandal – 683501  
Kochi, Kerala

### **AMENDMENTS TO THE POLICY**

The Chairman and Managing Director is authorized to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of this Policy. The Chairman & Managing Director is also authorized to amend this Policy from time to time based on changing requirements as prescribed by SEBI / Stock Exchange(s).

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