



An ISO 9001, ISO 14001, ISO 45001 & ISO 50001 Certified Company

**Gujarat Narmada Valley
Fertilizers & Chemicals Limited**

CIN : L24110GJ1976PLC002903

P.O Narmadanagar - 392015, Dist. Bharuch, Gujarat, India
Ph. (02642) 247001, 247002 Website: www.gnfc.in

NO. SEC/BD/SE

August 13, 2024

Dy. General Manager
BSE Limited
Corporate Relationship Dept.,
1st Floor, New Trading Ring,
Rotunda Bldg, PJ Tower,
Dalal Street, Fort,
Mumbai - 400 001
Scrip Code: "500670"

Dy. General Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
C-1, Block - "G",
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Symbol: "GNFC"

**Sub.: Intimation of amendment in the Policy for Determining Materiality of Events /
Information for Disclosure.**

Dear Sir/Madam,

This is to inform you that the Board of Directors of the Company at its meeting held today i.e. August 13, 2024, have amended the "Policy for Determining Materiality of Events / Information for Disclosure" in line with the amendments in Regulation 30 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We enclose herewith the amended Policy for Determining Materiality of Events / Information for Disclosure. The amended Policy is also being made available on the Company's website at www.gnfc.in.

We request you to kindly take note of the above.

Thanking you.

Yours faithfully,

For Gujarat Narmada Valley Fertilizers & Chemicals Limited

Chetna Dharajiya
Company Secretary & Chief Manager (Legal)

Encl.: As above



POLICY FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION FOR DISCLOSURE

[Pursuant to Regulation 30 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1.0 INTRODUCTION:

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) mandates disclosure of any events or information by the Company whose equity and convertible securities are listed and also required to make disclosure of events / information specified under the relevant Schedule of Regulation 30 of Listing Regulations. Sub-regulation (4)(ii) of Regulation 30 of Listing Regulations mandates the listed entities to formulate a Policy for determining Materiality of events / information, duly approved by the Board of Directors, which shall be disclosed on its website.

The Policy on Determination of Materiality has been approved and adopted by the Board of Directors of the Company at its meeting held on January 27, 2016. SEBI has further, vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 dated June 14, 2023 (“Amended Regulations”) amended and modified the existing Regulation 30. In order the effect the amendments as notified above in the Amended Regulations, the Board of Directors of the Company has approved and adopted the revised Policy for Determination of Materiality of Events / Disclosures.

2.0 PURPOSE OF POLICY:

The purpose of this Policy is to determine materiality of events / information based on criteria specified under sub-regulation 4(i) of Regulation 30 of the Listing Regulations and to ensure that the Company makes disclosure of event / information specified in Part-A of Schedule – III to the Listing Regulations, to enable the investors to take informed and timely decisions.

3.0 EVENTS / INFORMATION FOR DISCLOSURE COVERED UNDER THIS POLICY:

This Policy covers the following disclosure of events / information which are broadly divided into below categories:

- (a) Events / information to be necessarily disclosed without applying any test of materiality specified in Para-A of Part-A of Schedule-III to the Listing Regulations; and
- (b) Events / information to be disclosed, if considered material by the



company specified in Para-B of Part-A of Schedule-III to the Listing Regulations.

- (c) 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 Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.
- (d) Without prejudice to the generality of para (a), (b) and (c) above, the Company may make disclosures of event/information as specified by the Board from time to time.

4.0 CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION AND PROCESS OF ITS DISCLOSURE:

(A) Criteria for determination of materiality of events / information:

Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the event / information. In order to determine whether a particular event / information is material in nature, the Company shall consider the “Quantitative” or “Qualitative” criteria(s).

Further as per Para A of Schedule III are deemed to be material event and Company shall make disclosure of such events.

The Company shall make disclosure of events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality as specified in Sub-regulation 4 of Regulation 30 of the Listing Regulations, 2015 and its deals with the criteria for determination of materiality of events or information which may for this purpose be deemed as “Quantitative” and/ or “Qualitative” criteria to determine materiality to an events or information, which are as under:

“Qualitative Criteria” would mean and includes the possibility of any of the following impacts upon non-disclosure of an event/ information:

- (i) the omission of an event / information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (ii) the omission of an event / information, which is likely to result in significant market reaction, if the said omission came to light at a later date, which may also be termed as price sensitive information; or

“Quantitative Criteria” shall be calculated based on last audited consolidated financial statements and shall mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:



- a. two percent of turnover, as per the last audited consolidated financial statements of the Company;
- b. 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;
- c. 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.

Any other event / information, which in the opinion of Board of Directors or Key Managerial Personnel is considered material.

In circumstances where “Quantitative” test may not be applicable, “Qualitative” test may be applied to determine materiality.

If a particular information or event in question satisfies any of the “Qualitative” or “Quantitative” criteria(s), the Company shall disclose the same to the Stock Exchanges in timely and adequate manner.

(B) Process of disclosure of Material Information:

In case, any functional head of the Company becomes aware of any material events / information about the Company, he/she will inform about the same to the Company Secretary / CFO. If the said event / information is covered under Para-A of Part-A of Schedule-III to the Listing Regulations, which are deemed to be material events and necessarily to be disclosed to the Stock Exchanges (SEs) without applying the test of materiality, the Company Secretary will take requisite measures to disseminate the information to SEs, where the Equity Shares of the Company are listed within the time period stipulated in the Listing Regulations.

If the event / information is covered under Para-B of Part-A of Schedule-III to the Listing Regulations, then the Company Secretary / CFO would determine, whether the said event / information is material and required to be disclosed to SEs or not in terms of the criteria laid down in this Policy read with the Listing Regulations.

Upon determining the materiality of events, if the events / information is material, the Company Secretary / CFO, after obtaining the approval of Managing Director, will make the adequate disclosure of said event / information to SEs as per the time frame stipulated in Listing Regulations.

5.0 DETERMINATION OF TIME WHEN THE EVENT / INFORMATION CAN BE SAID TO HAVE OCCURRED:

For the purpose determining the time when can the event / information be said to have occurred, the following guidelines shall be followed by the Company:

- (1) where the occurrence of event / information depends upon the stage of discussion, negotiations or approval:



The events or information can be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events or information after receipt of approval of both, i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends, disclosure shall be made on receipt of approval of Board of Directors pending Shareholder's approval;

- (2) the occurrence of event / information where no such discussion, negotiations or approvals are required:

The events or information can be said to have occurred when the Company becomes aware of the events or information, or as soon as, an officer* of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

**Term 'officer' shall have same meaning as defined under the Companies Act, 2013 and includes promoter of the Company.*

- (3) at times the preliminary information about an event is such that the Company or its officer cannot reasonably determine whether the information is material or not and may need to wait for more information or seek expert advice or conduct investigation / inquiry in order to determine the nature of the information:

In such cases, the Company or its officer shall be construed to have become aware of the event / information when the probable impact of the event / information becomes known / assessable to the extent of 75% of materiality threshold and not when the impact is finally and accurately assessed.

6.0 GENERAL OBLIGATIONS:

- (1) The Board of Directors or the Key Managerial Personnel authorised in this regard shall apply the above guidelines for determining the materiality of the event / information specified in Para-B of Part-A of Schedule-III of the Listing Regulations.
- (2) The Company shall first disclose to the Stock Exchange(s) of all events / information, which are material in terms of the provisions of Regulation 30 of the Listing Regulations 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 the timelines specified under Listing Regulations, the Company shall, along with such disclosure provide the explanation for the delay.

In respect of information or details that need to be provided by the Company under specific events, the Company shall follow the Annexure-I of the SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023 as amended from time to time.

- (3) With respect to the disclosures of material events / information so made to the SEs, the Company shall make disclosures updating material developments on a regular basis till such time the event is resolved / closed, with relevant explanations.
- (4) The Company shall disclose on its website all such events or informations which has been disclosed to Stock Exchange(s) under the Regulation 30 and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the Archival Policy of the Company.
- (5) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.
- (6) The Company shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any events or information.
- (7) The Company shall confirm, deny or clarify any reported event or information in the mainstream media in terms of Regulation 30(11) of the Listing Regulations.
- (8) In case where an event occurs or information is available with the Company, which has not been indicated in Para A, B or C of Part-A of Schedule-III, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.
- (9) All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause 5A of para A of part A of schedule III to the Listing Regulations, shall inform the Company about the agreement to which such a Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements.
- (10) In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.



7.0 WEBSITE DISCLOSURE AND ARCHIVAL:

The Company shall upload all the communications sent to the Stock Exchanges under Regulation 30 of Listing Regulations and this Policy on its official website viz. www.gnfc.in and shall continue to host such communication on its website for a minimum period of 5 years and thereafter as per its Archival Policy.

Communication sent to Stock Exchanges with regard to further developments on the events / information as disclosed must also be updated on the Company's website simultaneously, but in no case later than two working days of such intimation / disclosure to the Stock Exchanges.

8.0 DISCLOSURE:

The Company shall disclose this Policy on its website.

The contact details of the Managing Director, Chief Financial Officer and Company Secretary, being the Key Managerial Personnel shall also be disclosed to the Stock Exchanges as well as on the Company's website.

9.0 AMENDMENT:

The Board of the Company shall have the authority to amend or modify this Policy to align with any amendments made to the Act and rules made thereunder or Listing Regulations or applicable Accounting Standards or such other circulars, SOP, guidelines or regulations issued by SEBI or any other statutory authority.

In the event of any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws then this Policy shall stand modified to the extent applicable.

In the event of inconsistency of this Policy with any statutory provisions, then the relevant provisions of such applicable law shall prevail upon the provisions of this Policy.

(The original Policy was approved by the Board of Directors in its Meeting held on 27-01-2016, which was revised by the Board of Directors in its Meeting held on 13-08-2024.)