

Policy on determining Materiality-Regulation 30 of LODR 2015.
MARATHON NEXTGEN REALTY LTD.

POLICY FOR DETERMINING MATERIALITY

- I. Objective: Amendment made in line with the objective thresholds that have been introduced by SEBI vide notification dated 14/6/23.
- II. **Compliance with Regulation 30 of SEBI(LODR) 2015:**

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with SEBI's Notification dated 14/6/23, Second amendment Regulations 2023, bearing reference No.SEBI/LAD-NRO/GN/2023/131, the Board of Directors (the "Board") of Marathon Nextgen Realty Limited ("MNRL" or "the Company") the "Company" has adopted this amended Policy.

The original Policy was approved at the meeting of the Board held on February 12, 2016 for determination of materiality based on the criteria mentioned in the said regulation ("Material Information") such that required information can be promptly disclosed to the stock exchanges, as required under applicable regulations in compliance with the said regulations.

III. **Definitions:**

In this policy unless the context otherwise requires

- a. "Act" means the Companies Act, 2013 and rules made there under, as amended from time to time
- b. "SEBI Regulations" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time
- c. "Company" means Marathon Nextgen Realty Limited
- d. "Policy" means MNRL - Materiality Policy as amended/modified from time to time
- e. "Authorized Persons" shall have the same meaning ascribed to it under Clause III of this Policy.

- f. "Board" or "Board of Directors" shall mean the Board of Directors of Marathon Nextgen Realty Limited, as may be re-constituted from time to time
- g. "Financial Year" shall have the same meaning ascribed to it under the Act
- h. "Material Information/event" shall mean information/event as prescribed under Clause V & Clause VI of this Policy.

The words or expressions used but not defined herein, but defined under Companies Act, 2013 or the SEBI Regulations shall have the same meaning assigned therein.

IV. Authorized Persons

1. The materiality or otherwise, of an information or event in terms of the SEBI Regulations will be determined jointly by the Chairman and Managing Director, Whole-time Director & Chief Financial Officer of the Company ("Authorized Persons") in consultation with the concerned Department head, or the responsible Senior Management Personnel, as the case may be.
2. The authorized persons will also decide the appropriate period/stage at which disclosure is to be filed with the stock exchanges and details that may be filed.

V. Guidelines for Materiality assessment

1. Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature, 'quantitative' and qualitative factors also as the case may be criteria will be applied.
2. The events or information which will be disclosed based on application of materiality criteria are given in Annexure 1.
3. In circumstances where 'quantitative' test may not be applicable or cannot be applied, a 'qualitative' or a 'subjective', criteria as under will be applied to determine materiality and are deemed to cause significant market reaction:

Basic Quantitative Criteria:

Whose value or 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 listed entity;
- (2) 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;
- (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.**

Opinion of the Board:

In case where the criteria specified above is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company entity, the event or information is considered material.

The Board while measuring the quantitative criteria for determining the materiality is to be tested for value and expected impact in terms of Value. While "value" would generally be certain and known at the time of the event or information requiring disclosure, "expected impact in terms of value" will be determined on the basis of the likelihood of the triggering the above threshold.

Under this policy, the Heads of each Departments/relevant employees of the Company ,upon enquiry with the KMPs will be assisted internally in identifying the material event and necessary mechanism for determining the same is set up.

Events/informations that are determined as material by applying the above threshold /or by the opinion of the Board, especially covered in Annxe-1shall be regarded as UPSI till the same is made generally available

Action by the Company:

Once the particular event or information is an UPSI necessary SEBI (PIT) Regulations 2015 will be adhered to.

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the SEBI Regulations shall be made within such timelines:

4. Authorized Personnel as defined under Clause IV above are authorized, in their absolute discretion, to revise the quantitative or qualitative materiality threshold specified under Annexure 1, depending upon the impact of the materiality.

VI. Deemed material events or information:

Events or information specified in Annexure 2 will be deemed to be material events / information and will be disclosed irrespective of application of any quantitative or qualitative materiality thresholds.

VII. Timing of disclosure:

All material events / information will be disclosed as promptly as practicable as per the provisions of Regulation 30, as amended and updated .

- 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 listed entity;
- (iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity:

VIII. General:

Where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over this Policy and procedures until such time as this Policy is changed to conform to the law, rule, regulation or standard. This policy shall not dilute any of the requirements specified u/r 30

IX. Effective date:

The effective date of the Policy is February 12, 2016. The amended Policy will come into effect from 11th August, 2023

X. Mr.S. Ramamurthi, Whole Time Director and CFO is authorized to under this policy for the purpose of determining materiality of an event or information. And for the purpose of making disclosures to stock exchange(s) under this regulation and the contact details of such personnel shall be also disclosed to the stock exchange(s) and as well as on the listed entity's website.

Annexure - 1

The events/information and corresponding materiality criteria pursuant to Para B of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause IV of this Policy:

Sl. No.	Event/Information	Threshold	Time lines of Disclosure to SEs
1	Commencement or any postponement in the date of commencement of Project of any unit/ division.	Board meet Outcome	As per ClauseVII above
2	Change in the general character or nature of business brought about by arrangements for strategic, technical, or marketing tie-up, adoption of new lines of business or closure of operations of any unit / division (entirety or piecemeal).	As per clause V(3) above	“
3	Capacity addition	Not Applicable	
4	Product launch	Post Board Meet	“
5	Awarding, bagging/ receiving, amendment or termination of awarded / bagged orders / contracts not in the normal course of business.	Materiality as per Clause V(3)	“
6	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.	Materiality as per Clause V(3)	“
7	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.	Immediate ,upon getting the info	Immediate
8	Effect(s) arising out of change in the regulatory framework applicable to the listed entity	Board Meet	As per ClauseVII above

9	Litigation(s) / dispute(s) / regulatory action(s) with impact.	Materiality as per Clause V(3)	“
10	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.	Immediate ,knowing about such fraud	Immediate
11	Options to purchase securities including any ESOP/ESPS Scheme.	Board Met Outcome	As per ClauseVII above
12	Giving of guarantees or indemnity or becoming a surety for any third party.	Materiality as per Clause V(3)	“
13	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Materiality as per Clause V(3)	“

Notwithstanding anything stated above, the Authorized Persons may apply qualitative criteria for deeming an event/information to be material or not in cases where aforementioned quantitative criteria cannot be ascertained/applied reasonably.

Annexure - 2

Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30) and Clause V of this Policy

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 Company or any other restructuring.
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: The Company 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 Company 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 Company), 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 the Company or arrest of key managerial personnel or promoter.

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 the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges 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 the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company along with other details

8. Appointment or discontinuation of share transfer agent.

9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions.

10. One time settlement with a bank.

11. Reference to BIFR 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 by the Company.

13. Proceedings of Annual and extraordinary general meetings of the Company.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. Analysts or institutional investors meeting details.

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

17. Initiation of Forensic audit.
