

Mercantile Ventures Limited

Registered Office: SPIC House, 88, Mount Road, Guindy, Chennai – 600 032

POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURE OF INFORMATION (Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015)

1. Preface:

As per Regulation 30 of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, (the Regulations), the Company is required to make disclosure of various events and information to the Stock Exchanges as enshrined in Schedule III to the Regulations. The events/information have been classified into two categories viz., (i) information/ events to be disclosed irrespective of materiality (specified in Para A of Part A of Schedule III) and (ii) information/ events to be disclosed based on the application of guidelines for materiality as per the criteria prescribed therein (as specified in Para B of Part A of Schedule III). In this regard the Board of Directors of the Company is mandated to approve a policy for determining the materiality and also nominate one or more KMPs to decide on the same and issue the disclosures to the Stock Exchanges.

In addition to the above, the Company is also required to disclose major development that is likely to affect the business, such as emergence of new technologies, expiry of patents, change in accounting policy which may have significant impact on the accounts, etc.

2. Policy for determination of materiality:

The information/events specified in Para B of Part A of Schedule III to the Regulations shall be deemed material if in the opinion of the Designated KMP (as specified below)

- i. The non-disclosure of the information/event will result in discontinuation or alteration of the information/event already disclosed and/or available in public domain or
- ii. The non-disclosure of the information/event will have significant impact in the securities market, if and when the same comes to public domain subsequently.
- iii. Such event is likely to affect the business of the Company significantly and would be essential for the investors dealing in the securities of the Company to be aware of the same.

The above policy on materiality shall also be applicable in relation to the disclosure of major developments specified under Para C of Part A of Schedule III to the Regulations.

In addition to the above, the stipulations in the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information approved by the Board of Directors of the Company under the SEBI (Prohibition of Insider Trading) Regulations, 2015 shall also be taken into account for disclosure of any event/information.

3. Authority for determination of materiality of events / information and disclosure thereof

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Pursuant Regulation 30 (5) of the Regulations, the Managing Director of the Company is authorized to determine the materiality of the information/event to be disclosed taking into account the above policy. The Company Secretary or in his absence such other officer as may be specified by the Managing Director is authorized to make such disclosures to the Stock Exchanges.

4. Validity and amendment

This Policy shall be valid until otherwise determined by the Board. The Managing Director is authorized to review the Policy from time to time and make such changes as may be deemed necessary. The details of such changes shall be submitted to the Board at the immediately following meeting for review and ratification.

DETAILS OF PERSONS AUTHORIZED UNDER REGULATION 30 (5)

The Board of Directors of the Company has authorized the Whole Time Director of the Company as the Key Managerial Person (KMP) for the purpose of determining the materiality of an event or information and the Company Secretary or in his absence such other KMP as may be authorized by the Whole Time Director for the purpose of making disclosures under the aforesaid regulation. The contact details are as below:

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