

POLICY ON DETERMINATION OF MATERIALITY OF
EVENTS AND INFORMATION

TABLE OF CONTENTS

| Sr.No | Particulars | Page Nos |
|-------|--|----------|
| 1. | Background | |
| 2. | Definition | |
| 3. | Interpretation | |
| 4. | Material Events and Information | |
| 5. | Criteria for Determining Materiality of Events and information | |
| 6. | Disclosure of Events / information | |
| 7. | Dissemination Of Events / Information | |
| 8. | Policy Review | |

1. BACKGROUND:

This Policy for Determination of Materiality of Events and Information (“Policy”) of KKV Agro Powers Limited (“Company”) has been framed pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as “SEBI Listing Regulations”), for determination of materiality, based on criteria specified in Regulation 30 of SEBI Listing Regulations.

Regulation 30 of SEBI Listing Regulations also mandate the board of directors of the listed entity shall authorize one or more Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s).

In compliance with SEBI Listing Regulations, this Policy provides a framework for determining materiality of events and information for the purpose of making disclosure to the Stock Exchanges. This Policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges.

2. DEFINITIONS:

- a) “Authorised Key Managerial Personnel” mean Managing Director or Chief Executive Officer or Company Secretary of the Company, who are authorised, individually or jointly, for determining the materiality of an event or information that qualifies for disclosure and to decide the appropriate time and details of its disclosure to be made to the Stock Exchange(s).
- b) “Board of Directors or Board” mean Board of Directors of the Company.
- c) “Company” refers to KKV Agro Powers Limited pursuant to this Policy, having its Registered Office at 637, Oppanakara Street, Coimbatore - 641 001 TamilNadu,.
- d) “Compliance Officer” means Company Secretary of the Company.
- e) “Mainstream Media” shall include print or electronic mode of the following:
 - i. Newspapers registered with the Registrar of Newspapers for India;

- ii. News channels permitted by Ministry of Information and Broadcasting under Government of India;
 - iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
 - iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India.
- f) “SEBI Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendment thereto and/or modification thereof from time to time, and includes any circulars, guidelines, and directions issued thereunder or in relation thereto.
- g) “Senior Management Personnel” means shall have the same meaning as prescribed under the Code of Conduct for Board of Directors and Senior Management Personnel of the Company.
- h) “Stock Exchange” means stock exchange where the Equity Shares of the Company are listed.
- i) “Subsidiary” means a subsidiary as defined under Section 2(87) of the Companies Act, 2013.

3. INTERPRETATION:

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the SEBI Listing Regulations and Companies Act, 2013 as amended from time to time.

4. MATERIAL EVENTS AND INFORMATION:

The events or information to be disclosed to the Stock Exchanges under Regulation 30 of Listing Regulations are broadly divided into the following categories:

- a) Events or information specified in Para A of Part A of Schedule III of the SEBI Listing Regulations (“Para A”) including any amendment thereto, shall be disclosed without application of materiality criteria defined in the SEBI Listing Regulations.
- b) Events or information specified in Para B of Part A of Schedule III of the Listing Regulations (“Para B”) including any amendment thereto, shall be disclosed based on application of the criteria for materiality, as specified in clause 5 of this policy.
- c) Any other information or event viz. major development that is likely to affect the 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 exclusively known to the Company which may be necessary to enable the securities holders of the Company to appraise its position and to avoid establishment of a false market in such securities.
- d) Without prejudice to the generality of paragraphs (a), (b) and (c) above, any other event or information as may be specified by the Board of Directors or Authorised Key Managerial Personnel from time to time.

5. CRITERIA FOR DETERMINING MATERIALITY OF EVENTS AND INFORMATION:

The Company shall consider the following criteria for determining materiality of events or information mentioned at Clause 4(b) 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; or
- 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:

- (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 listed entity;
- d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors or Authorised Key Managerial Personnel, the event or information is considered material.

6. DISCLOSURE OF EVENTS / INFORMATION:

- a) The Company shall disclose all events or information in terms of the Regulation 30 to the stock exchanges as soon as reasonably possible but not later than the following:
 - (1) 30 minutes from the closure of the Board meeting in which the decision pertaining to the event or information has been taken;
 - (2) 12 hours from the occurrence of event or information, in case the event or information is emanating from within the Company;
 - (3) 24 hours from the occurrence of event or information, in case the event or information is not emanating from within the Company.
- b) Disclosures for events or information for which timelines have been specified in Part A of Schedule III of SEBI Listing Regulations shall be made within such timelines;
- c) In case the disclosure is made after the timelines mentioned in the regulations, the Company shall provide explanation for the delay along with the disclosure.

- d) The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved/closed, with relevant explanations.
- e) The Company shall also disclose all events and information with respect to its subsidiaries which are material for the Company.

7. DISSEMINATION OF EVENTS / INFORMATION:

The Authorised Key Managerial Personnel shall severally be responsible and authorised for ascertaining the materiality of events/information considering its nature and disclosure after taking into account the various provisions of the SEBI Listing Regulations and this Policy.

The Senior Management Personnel of the Company shall forthwith inform all potential events/information as per Para A and Para B of Part A of Schedule III of the Listing Regulations, relating to the Company (to the extent such information is material for the Company) to Authorised Key Managerial Personnel, and/or such other employees of the Company authorised by them in this regard, with adequate information/data to facilitate a prompt and appropriate disclosure to the Stock Exchange as per the requirements prescribed by the SEBI Listing Regulations.

The Authorised Key Managerial Personnel shall severally be responsible and authorised for dissemination of such events and information in accordance with the provisions of the SEBI Listing Regulations or any other law as may be applicable.

The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved/closed, with relevant explanations.

The Authorised Key Managerial Personnel may suo moto deny or clarify any reported event or information in the mainstream media, which is not general in nature and indicates that rumours of an impending specific material event or information that are circulating amongst the investing public and also provide the current stage of such event or information.

The disclosures made under Regulation 30 of the SEBI Listing Regulations and such other disclosures as may be required, shall be hosted on the website of the

Company (<https://kkvagropowers.com/>) and simultaneously communicated to the Stock Exchanges in the permitted mode. All disclosures shall be available on the website of the Company for a period of 5 (five) years.

8. POLICY REVIEW:

This Policy shall be reviewed from time to time so that the Policy remains compliant with applicable legal requirements. Any subsequent amendment / modification in the SEBI Listing Regulations, Companies Act and/or applicable laws in this regard shall automatically apply to this Policy.

In case of any inconsistency between the contents of this Policy and provisions of SEBI Listing Regulations/Companies Act, the provisions of SEBI Listing Regulations/Companies Act shall prevail.

SCHEDULE III

PARA A OF PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES

The following shall be events/information disclosed without any application of the guidelines for materiality upon occurrence of which listed entity shall make disclosure to stock exchange(s) within 24 hours,

| SR.NO | MATERIAL EVENT |
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| 1. | Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity 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 |
| 3. | New Rating(s) or Revision in Rating(s). |
| 4. | Outcome of Meetings of the board of directors: The listed entity 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): |

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| 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 |
| 6. | Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party which impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity |
| 7. | Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management |
| 8. | Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer |
| 9. | resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor |
| 10. | 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 |
| 11. | In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director |
| 12. | the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability |
| 13. | Appointment or discontinuation of share transfer agent. |
| 14. | Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions |
| 15. | One time settlement with a bank. |

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| 16. | winding-up petition filed by any party / creditors. |
| 17. | Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors |
| 18. | Proceedings of Annual and extraordinary general meetings of the listed entity. |
| 19. | Amendments to memorandum and articles of association of listed entity, |
| 20. | Schedule of analysts or institutional investors meet at least two working days in advance and presentations made by the listed entity to analysts or institutional investors |
| 21. | the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code |
| 22. | Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called) |
| 23. | Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity. |
| 24. | Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following: (a) search or seizure; or (b) re-opening of accounts under section 130 of the Companies Act, 2013; or (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; |
| 25. | Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity |
| 26. | Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013 |

PARA B OF PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES

Events which shall be disclosed upon application of the guidelines for materiality

| SR.NO | EVENT |
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| 1. | Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division. |
| 2. | arrangements for strategic, technical, manufacturing, or marketing tie-up; |
| 3. | adoption of new line(s) of business |
| 4. | closure of operation of any unit, division or subsidiary |
| 5. | Capacity addition or product launch. |
| 6. | Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business |
| 7. | Agreements which are binding and not in normal course of business and revision thereof |
| 8. | 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 |
| 9. | Effect(s) arising out of change in the regulatory framework applicable to the listed entity |
| 10. | Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity |
| 11. | Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity |
| 12. | Options to purchase securities including any ESOP/ESPS Scheme. |
| 13. | Giving of guarantees or indemnity |
| 14. | Granting, withdrawal , surrender , cancellation or suspension of key licenses or regulatory approvals |
| 15. | Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority |
| 16. | 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 listed entity which |

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| | may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities. |
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