

KOVILPATTI LAKSHMI ROLLER FLOUR MILLS LIMITED

POLICY FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION FOR DISCLOSURE TO STOCK EXCHANGES

1. PREFACE

This Policy for determination of materiality of events and information for disclosure to the Stock Exchanges (hereinafter referred to as 'this / the Policy') is framed in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations" or "the Regulations") read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 and SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 and/or any other statutory amendments or modifications thereof from time to time ("LODR Amendments") and the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023 and SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 and/or any other circulars/guidelines/notifications issued from time to time ("SEBI Disclosure Circular").

This Policy will be applicable to **KOVILPATTI LAKSHMI ROLLER FLOUR MILLS LIMITED** (hereinafter referred to as "the Company"), being a listed company, in terms of Regulation 30 of the Listing Regulations.

2. SCOPE AND OBJECTIVE

The scope of this Policy shall be in accordance with Regulation 30 read with Schedule III of the Listing Regulations. The Policy is framed with an objective to assist the employees in systematic identification, categorization and review of any event or information, which are considered material, and which may have a significant impact on the performance of the Company and result in significant market reaction, and reporting the such potential material event or information to the authorized Key Managerial Personnel of the Company for determining the materiality of the said event or information for the purpose of disclosure to the stock exchange(s), where the Company's shares are listed. Further, this Policy is framed by the Board of Directors without diluting any requirement specified under the provisions of Regulation 30 of the Listing Regulations.

3. DEFINITIONS

All the words and expressions used in this Policy shall have the same meaning respectively assigned to them under the provisions of the Listing Regulations, Circulars, Notifications, Clarifications and Guidelines issued thereunder from time to time by the Securities and Exchange Board of India ("SEBI") / Stock Exchange(s), for the time being in force.

Words and expressions used herein and not defined in the Listing Regulations shall have the same meanings respectively assigned to them under the Companies Act, 2013 read with its Rules made thereunder, Circulars, Notifications made / issued thereunder, as amended from time to time, for the time being in force.

4. GUIDELINES FOR MATERIALITY

The following shall be the criteria to be applied by the Company to determine whether an event or an information is material for the purpose of disclosure to the stock exchange(s) in accordance with the requirements of Para B of Part A of Schedule III read with Regulation 30(4) of the Listing Regulations:

- 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; (or)
- c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - i. two percent of the turnover, as per the last audited consolidated financial statements of the Company;
 - ii. 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;
 - iii. 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;

For the above purpose, the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) which denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

- 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 of the Company, the event or information is considered material.

5. MATERIAL EVENTS OR INFORMATION SPECIFIED UNDER REGULATION 30 READ WITH SCHEDULE III OF THE LISTING REGULATIONS AND THE TIMELINES FOR MAKING DISCLOSURE TO STOCK EXCHANGE(S):

I. CATEGORY A

The events or information specified in Para A of Part A of Schedule III to Regulation 30 of the Listing Regulations are deemed to be material events and the same shall be disclosed by the Company to the stock exchange(s), without applying the test of materiality.

II. CATEGORY B

The events or information specified in Para B of Part A of Schedule III to Regulation 30 of the Listing Regulations shall be disclosed by the Company to the stock exchange(s), upon the application of Guidelines for Materiality as given under Paragraph (4) hereinabove.

III. CATEGORY C

Without prejudice to the generality of Category A and B above, the Company may consider and disclose any other information/event viz. major development that is likely to affect the Company's business and/or result in significant market reaction and any other information which is exclusively known to the listed entity 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, based upon the application of Guidelines for Materiality as given under Paragraph (4) hereinabove or such other Guidelines for Materiality as may be specified under the Listing Regulations from time to time.

Further, the Company shall make disclosures of any events or information to the stock exchange(s) which, in the opinion of the Board of Directors of the Company, is material.

IV. CATEGORY D

Disclosures of Events/Information on Subsidiaries, as applicable

The Company shall also disclose to the Stock Exchanges such events/information about its Subsidiary(ies), if any, which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.

When the Company makes disclosures to the Stock Exchanges under the above Categories, the Company will also make disclosures updating material developments on a regular basis till such time the event is resolved / closed, with relevant explanations.

6. TIMELINE FOR DISCLOSURE TO STOCK EXCHANGE(S)

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of Regulation 30 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;

Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- (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:

Provided that if all the relevant information, in respect of claims which are made against the listed entity under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8 of paragraph B of Part A of Schedule III, is maintained in the structured digital database of the listed entity in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity:

Provided further that the Company shall follow the timelines for the disclosures with respect to events for which timelines have been specified in Part A of Schedule III.

Explanation: Normal trading hours shall mean time period for which the recognized stock exchanges are open for trading for all investors.

The Company will periodically provide updates on any of the events falling under paragraph 5 above on a regular basis till such time the event is resolved / closed.

The Company shall make disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within such timelines.

In case the disclosure is made after the timelines specified under Regulation 30, the Company shall, along with such disclosure, provide the explanation for the delay to the stock exchange(s).

7. AUTHORITY FOR DETERMINATION OF MATERIALITY OF AN EVENT OR INFORMATION

Pursuant to Regulation 30(5) of the Listing Regulations, the Key Managerial Personnel comprising of the Managing Director, Chief Financial Officer and the Company Secretary are jointly and severally authorized by the Board of Directors of the Company (hereinafter referred to as "Authorized Key Managerial Personnel") to determine whether an event / information is material, based on the category of information as specified above or other than those events or information which are specifically prescribed as material under Regulation 30, and make disclosure to the Stock Exchange(s), where the shares are listed.

The contact details of Key Managerial Personnel, who are authorized under Regulation 30(5) of the Listing Regulations, shall be disclosed to the Stock Exchange(s) and the same shall be placed on the website of the Company (www.klrf.in).

8. DISCLOSURE ON WEBSITE OF THE COMPANY

The Company shall place on its website all such events or information, which has been disclosed to the Stock Exchange(s) under Regulation 30 and it shall continue to host the same for a minimum period of five years and thereafter archived for a period of 3 years as per the Archival policy of the Company.

9. AUTHORITY TO ACCEPT / DENY REPORTED EVENTS / INFORMATION TO STOCK EXCHANGE(S)

The Authorized Key Managerial Personnel are jointly and severally authorized to provide specific and adequate reply to all queries raised by the Stock Exchange(s) with respect to any event / information and to accept / deny any report, incident or information, which has been publicized without any authority. Any action taken by the Authorized Key Managerial Personnel to respond to such unauthorized information for protecting the interests of the Company should be brought to the notice of the Board at the subsequent Board Meeting.

10. MISCELLANEOUS

As and when the sub-regulation (11) of Regulation 30 of the Listing Regulations becomes applicable to the Company, it shall confirm or deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of Regulation 30 of LODR are circulating amongst the investing public, as soon as reasonably possible and not later than twenty-four hours from the reporting of the event or information. Provided further that if the Company confirms the reported event or information, it shall also provide the current stage of such event or information.

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.

11. POLICY REVIEW AND APPROVAL

The Board of Directors shall have the authority to review and amend this policy, as may be deemed necessary to comply with any statutory amendments or modifications or re-enactment(s) thereof, for the time being in force.

In case of any amendment, clarification, circular, notification etc., issued by a competent authority, which is not consistent with the provisions laid down under this Policy, the provisions of such amendment, clarification, circular, notification, etc., shall prevail and this

policy shall stand amended accordingly, without any further action, on and from the date on which such amendment, clarification, circular, notification comes into effect.

This Policy was framed and approved by the Board of Directors at their meeting held on 3rd February, 2016 and subsequently, amended by the Board of Directors on 10th August, 2023 and lastly, amended by the Board of Directors at their meeting held on 14th February, 2025 with immediate effect.