

NEELAMALAI AGRO INDUSTRIES LIMITED

Policy on determination of materiality of events/ information

[Pursuant to Regulation 30(4)(ii) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015]

[Effective Date:01.12.2015 – Last amended Date:13.11.2023]

1. Background

SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI-LODR**”). These Regulations have come into force from 1st December, 2015.

Regulation 30(4)(ii) of the SEBI-LODR requires every listed entity to have a Policy, approved by its Board of Directors, for determination of materiality and for making disclosures of events/ information. The company is a listed entity and is obligated to comply with the disclosure requirements under the SEBI-LODR.

2. Effective Date

This Policy has been approved by the Board of Directors of the company and shall have effect from 1st December 2015.

3. Definitions

All the words and expressions used in this Policy, unless defined herein, shall have meaning assigned to them in the Companies Act, 2013, Rules made thereunder, SEBI-LODR and other applicable statutory enactments (collectively, the “Statutory Provisions”), as the case may be, as amended, from time to time.

4. Objective

- (i) The objective of this Policy is to lay down the criteria for determination of materiality of events/ information as stipulated under SEBI-LODR which shall be disclosed to the Stock Exchanges where the equity shares of the company are listed, so that present and potential investors are able to take informed decision relating to their investment in the company and to avoid creation of false market in the securities of the company. This Policy is intended to act as a guidance for determining materiality of such price sensitive information.

- (ii) This Policy is also intended to assist the relevant employees of the company in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).
- (iii) The overall objective is to comply with the applicable laws or the provisions in this Policy, whichever is more stringent.

5. Basic Principles

This Policy is based on the following basic principles:

Materiality: To ensure that all material events/ information become public or made generally available.

Timelines: To make disclosure of material events/ information promptly in accordance with the SEBI-LODR and this Policy following the material events/ information that warrant disclosure.

Transparency: To make disclosure of material events/ information with sufficient details that sustains investor confidence.

6. Material Events/ Information and Criteria

- 6.1 The following factors shall be considered for determining materiality of any event/ information:
- The omission of an event/ information which might result in discontinuity or alteration of information which is already in public domain;
 - The omission of event/ information which might result in significant market reaction, if the said omission comes to light at a later date;
 - Any event/ information which directly or indirectly may materially affect the reputation of the Company;
 - Any event/ information, which if not disclosed promptly may lead to creation of false market in the securities of the Company;
 - The impact of event/ information whose value or the expected impact in terms of value exceeds the criteria as stipulated in the SEBI-LODR from time to time;
 - Any event/ 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.

- Whether the event/ information is in the ordinary course of business; or
 - Whether the event/ information represents a significant shift in strategy and is an exit from, or entry into, a significant line of business.
- 6.2 Events specified in Para A of Part A of Schedule III of the SEBI-LODR are deemed to be material events. The company shall make disclosure of such events without application of any materiality criteria.
- 6.3 Events / information as are mentioned in Para B of Part A of Schedule III of the SEBI-LODR shall be disclosed by the company to the Stock Exchanges, if considered material, based on any of the following criteria as stipulated under Regulation 30 (4)(i) of SEBI-LODR :
- 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 threshold specified under extant SEBI-LODR Regulations read with relevant Notifications/Circulars/ Guidance/ Clarifications issued from time to time.
 - 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
- 6.4 The company shall also disclose to the Stock Exchanges -
- (i) Any other event/ information viz. major development that is likely to affect business, any change of accounting Policy that may have a significant impact on the accounts and any other information which is exclusively known to the company which may be necessary to enable the security holders of the company to appraise its position and to avoid the establishment of a false market in such securities.

- (ii) Any other event/ information which is available with the company and not indicated in Para A or B of Part A of Schedule III of the SEBI- LODR, but which may have material effect on it.

7. Contents and time for disclosure

7.1 Disclosure shall be made upon occurrence of a material event/ information. The time and content for disclosure shall be in accordance with the SEBI- LODR and relevant SEBI circulars.

7.2 The company shall make disclosures updating material developments on the above material event on regular basis, until the event is resolved/ closed with relevant explanations.

8. Authority

8.1 The Executive Director and in his absence the CFO/ Company Secretary of the company are authorized to determine the materiality of an event or information based on criteria mentioned in this Policy and is also authorized to make the necessary disclosures to the Stock Exchanges under Regulation 30 of the SEBI- LODR.

8.2 The Key Managerial Personnel of the company are severally authorized (*suo moto* or on request of any stock exchange) to confirm/ deny any reported event/ information to the Stock Exchanges.

9. Disclosure

The company shall simultaneously disclose on its website (www.neelamalaiagro.com) all such events or information which have been disclosed to the Stock Exchanges under this Policy or under the SEBI-LODR. Such disclosures shall remain hosted on the website of the company for a minimum period of five years and thereafter as per the archival Policy of the company.

10. Obligations of relevant employees and Authorized Person for Disclosure

This policy and Material events or information as stipulated under Para A and B of Part A of Schedule III of the SEBI-LODR is circulated to Senior Management Personnel (SMP) of the company, who are being considered as relevant employees for purpose of this Policy. Any event or information requiring disclosure in terms of SEBI-LODR or as per this Policy shall be brought to the notice of the authority under Para 8.1 forthwith by the concerned SMP upon occurrence with adequate supporting data/ information, to facilitate prompt and appropriate disclosure thereof to the Stock Exchanges.

11. Review and Amendment

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the statutory provisions and remains effective.

This Policy shall be reviewed periodically and may be amended by the Board, as may be deemed necessary.

12. Interpretation

In case of any conflict between the provisions of this Policy and of Statutory Provisions, the Statutory Provisions shall prevail over this Policy. Any subsequent amendment/ modification in the Statutory Provisions shall automatically apply to this Policy.

In case of any clarification required with respect to this Policy, the Company Secretary may be contacted.
