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## **NEELAMALAI AGRO INDUSTRIES LIMITED**

(Registered Office : Katary Estate, Katary P.O., Coonoor, Nilgiris District - 643 213, TamilNadu)  
Post Box No. 4260, Panampilly Nagar P.O., Ernakulam District, Kochi - 682 036, Kerala  
Tele : (0484) 2315312 Fax : (0484) 2312541  
Corporate Identity Number (CIN): L01117TZ1943PLC000117  
E-Mail : secneelamalai@vsnl.net Website : www.neelamalaiagro.com

# POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS

## 1. STATUTORY MANDATE

The Board of Directors (The “Board”) of Neelamalai Agro Industries Limited (the “Company”) has adopted the following policy and procedures with regard to determination of materiality of events as per clause 30 (4) (ii) of SEBI (LODR) Regulation, 2015 which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend this policy from time to time.

This Policy was originally adopted at the Board Meeting held on 28<sup>th</sup> May 2019, is in terms of Clause 30 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09.09.2015 and such amendments made there to from time to time.

## 2. Policy Objective and Scope

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined.

The purpose of this documents to present a high level policy statement for Neelamalai Agro Industries Limited (Neelamalai) regarding Policy for determination of materiality of events in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

The policy is intended to define Neelamalai’s policy on Policy for determination of materiality of events/ information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in NEELAMALAI in making decisions and undertaking regarding its responsibility about making public such events/ information which may materially affect the performance of the company and thereby the share prices of the Company.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and Updation of website the details of information / events which are considered material or not but which may

have a bearing on the performance of the Company and which may materially affect the share prices of the company.

3. All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI's LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

4. Definitions

“ Audit Committee or Committee” means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, RBI Act and/or the Companies Act, 2013.

“Board of Directors or Board” means the Board of Directors of the Company, as constituted from time to time.

“Company” means a Neelamalai Agro Industries Limited, a Public Limited Company incorporated under the Companies Act, 1956 or under any other act prior to or after Companies Act, 1956.

“Independent Director ” means a Director of the Company, not being a Whole Time Director who is neither a promoter nor belongs to the promoter group of the Company and who satisfies other criteria for independence as laid down under Section 149(6) and Schedule IV of the Companies Act, 2013 and the LODR entered into with the stock exchanges.

“Policy” means Policy for determination of materiality of events as per provisions of Regulation 30 of LODR, 2015 as amended from time to time.

“Material Events” are those that are specified in Para A of Part A of Schedule III of the LODR.

“Other Events” are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III, as specified in sub- regulation 30(4) of the LODR.

“ LODR” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

“ Key Managerial Personnel” (KMP) of the Company includes Managing / Whole-time Directors, Chief Financial Officer / Company Secretary, who may be authorised individually or collectively for the purpose of determination of materiality of events or information as per Regulation 30 (5) of LODR to the Stock Exchange.

## 5. Policy

- i. Either based on the recommendation of the Audit Committee of Directors or the Board of Directors suo moto or Board authorised Key Managerial Personnel (KMPs) consisting of Managing/Whole-time Director, Chief Financial Officer/ Company Secretary of the Company shall determine the events which are classified under different categories to be material and / or other events having a bearing on the performance of the Company and on the share prices of the Company, which needs to be disclosed to the stock exchanges as per the time span specified against each category.

### CATEGORY - A

Events considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within 24 hours of the decision taken at the Board Meeting are:

- Acquisition, (including agreement to acquire), Scheme of Arrangement which includes amalgamation / merger / demerger / restructuring), or sale or disposal of unit(s), division(s) or subsidiary of the listed entity or any other restructuring.
- 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.

- Shareholder agreement, Joint Venture, Family settlement agreement (to the extent that it impacts management and control of the listed entity), Agreement/ Treaty / contract with media companies which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- Fraud / default by promoters or key managerial personnel or by listed entity and arrest of KMP or promoter.
- Reference to BIFR and winding-up petition filed by any party / creditors.
- Revision in credit ratings.
- Change in Directorships, key managerial personnel, Auditor and Compliance Officer
- Appointment and discontinuance of share transfer agent
- Corporate debt restructuring
- One time settlement with bank.
- 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 listed entity.
- Proceedings of the Annual or Extra General Meeting
- Amendments to Memorandum and Articles of Association.
- Schedule of Analyst or institutional investor meet and presentation on financial results made by the listed entity to analysts or institutional investors

Note: If the Management is not in a position to inform the stock exchanges within 24 hours of the decision taken at the Board Meeting of occurrence of the event or information, then it shall inform the stock exchange as soon as it is possible with an explanation as to reason for delay in disclosing the said information.

## CATEGORY B

Events / Decisions considered Material in view of the Board of Directors which needs to be disclosed to the stock exchanges within 30 minutes of the conclusion of the Board Meeting are:

- Declaration of Dividend and/ or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched.
- Cancellation of dividend with reasons thereof;
- Buyback of shares
- Fund raising proposed to be undertaken.
- Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched.
- 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;
- Alteration of capital including calls
- Financial results
- Voluntary delisting from stock exchanges

## CATEGORY C

Events which shall be disclosed upon application of the guidelines for materiality referred to Regulation 30(4) of SEBI (LODR), 2015 and as referred to in the forgoing policy:

- Commencement or postponement of the date of commercial production or operation of any unit/ division.
- Change in the general character or nature of business brought about by arrangements for strategic, technical manufacturing or marketing tie-up, new line of business or closure of operations of any unit / division.
- Capacity addition or new product launch.

- Awarding, bagging / receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- Agreements for loan or any other agreements which are binding and not in the normal course of business and revision(s) or amendment(s) or termination(s) thereof.
- Disruption of operation of any one or more units or division of listed entity due to natural calamity viz., earth quake, fire etc..., force majeure or events such as strikes, lockouts etc.
- Effects arising out of change in regulatory framework applicable to the listed entity.
- Litigation / dispute / regulatory action(s) with impact.
- Fraud/ defaults etc by directors (other than Key managerial personnel) or employee of listed entity.
- Options to purchase securities including ESOP/ESPS scheme
- Giving of guarantees or indemnity or becoming a surety for any third party
- Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- Emergence of new technologies,
- Expiry of patents.
- Change in accounting policy that may have a significant impact on the accounts.
- Any other information that may be deemed necessary jointly and severally by the KMPs of the Company who would consider that it is necessary for the holders of the securities of the listed entity to appraise its position and to avoid the establishment of a false market.
- The Board may in its discretion also authorise the KMPs to disclose such events, information or material that in its wisdom may be necessary for the Members of the exchange to know the information.

Note: The Company shall inform the stock exchanges as soon as reasonably possible and not later than twenty four (24) hours from the occurrence of event or information. If the Management is not in a position to inform the stock exchange within 24 hours of the decision taken at the Board Meeting, then it shall inform the stock exchange as soon as it is possible with an explanation as to reason for delay in disclosing the said information.

- ii. The Management shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Members of the Stock Exchanges.

In case where an event occurs or an information is available with the listed entity, which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it, the listed entity is required to make adequate disclosures in regard thereof.

6. Criteria for determination of materiality of Events / Information

- i. The omission of an event or information would likely to result in discontinuity or alteration of event or information already available publicly.
- ii. 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;
- iii. In case where the criteria of an event / information does not fall in the first two categories, but still in the opinion of the board of directors are considered material.

7. Authority for determination of Materiality of events / information

The Key Managerial Personnel (KMPs) consisting of the Managing / Whole- time Director, Chief Financial Officer / Company Secretary are hereby jointly and severally authorised to determine whether the event / information is material or not and in turn about its time line for disclosure based on the category of information as specified above to the stock exchanges, subject to



such information being placed prior to or at the immediate Board Meeting held after the said information being made public.

8. Website Updation / Updates to stock exchanges

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further material developments, if any, on such events till such time the event is resolved/closed with relevant explanations. Such updates shall also be hosted on the website of the Company

9. Disaster Preparedness

NEELAMALAI maintains a Business Continuity Plan (BCP) designed to ensure safety of staff as well as members of the general public, safeguard the documents and records pertaining to all material / non-material events and information which would enable a return to normal operating with minimal disruption. Detailed procedures for responding to an incident are part of the BCP.

In the event of major incident, the first priority is the safety of the people, followed by immediate action to rescue or prevent further damage to the records. Depending on the immediate threat, emergency response and recovery actions will take precedence over all other Company activities.

The Company has made appropriate provision for the backup of its digital collections, including the provision of offsite security copies. The backup copies are actively maintained to ensure their continued viability. The Company's BCP ensures that the digital collections and technical infrastructure required to manage and access them can be restored in the event of an emergency.

10. Disclosure of events/information on Subsidiaries/Associate Companies etc  
The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary/Associate Companies etc., which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.
11. Authorisation to KMPs to Suo-moto accept / deny reported event or information  
The Key Managerial Personnel (KMPs) consisting of the Managing / Whole- time Director, Chief Financial Officer / Company Secretary are hereby jointly and severally authorised to suo-moto accept / deny any report event or information, which has been unauthorisedly made public by media or by any other means including but not limited to electronic means. They are further authorised to respond to the rumours amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company. Such action taken by the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.
12. Compliance Officer  
The Compliance Officer for the Purpose of complying with the provisions of LODR, 2015 shall be the Company Secretary of the Company.
13. Policy Review  
This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.
14. Board's Approval  
This policy was amended by the Board of Directors at its meeting held on May 28<sup>th</sup> 2019.

Chennai  
May 29, 2019

Ajit Thomas  
Chairman