



KDDL LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

Introduction

As per Regulation 30(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Regulations”) every listed entity is required to frame a policy for determination of materiality of events or information that requires appropriate disclosure to the stock exchange(s). Accordingly, the Policy for determination of Materiality of events or information (hereinafter referred to as “the policy”) for KDDL LIMITED (hereinafter referred to as “the Company”) is hereby framed, setting forth the elementary aspects regarding disclosure practice to be followed by the Company.

Designated Authority for evaluating Events/Information as material

The Chairman, Vice Chairman or Chief Finance Officer (CFO) of the company, jointly or severally, shall take a view on materiality of an event or information qualifying for disclosure under clause 30 of the Regulations, decide the appropriate time at which such disclosure is to be filed with Stock Exchange(s) and details that may be filed in the best interest of present and potential investors. Chief Financial Officer / Company Secretary is hereby authorised for making disclosures of such material events or information, to the Stock Exchange(s).

The contact details of Chairman, Vice Chairman, CFO, and the Company Secretary shall be disclosed to the stock exchanges and displayed on company’s website.

Criteria for Determining Materiality

While determining whether an event or information is material, the designated authority shall consider the criteria given in sub-regulation (4) of Regulation 30 of the SEBI Regulations, enumerated herein below:-

- (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) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event / information may be treated as being material if in the opinion of the Board of Directors the event/information is considered material.

Disclosures

Information/events as specified in Annexure -1 enclosed herewith as per Part A of Schedule III of Securities and Exchange Board of India (Listing obligations and disclosure requirement) Regulations,

2015 (i.e. events given in 'Part A ') to be compulsorily disclosed and events specified in Part-B as determined according to above policy shall be disclosed by the Company to the Stock Exchange(s) within the stipulated time specified in the regulations.

Disclosure on Website

All material events or information, as disclosed to the Stock Exchange(s) under the Regulations, shall also be disclosed on the website of the Company www.kddl.com and such disclosures shall be hosted on the website for a minimum period of five years and thereafter as per the Archival Policy of the Company.

Amendments/Modification of the Policy

In case of any subsequent changes in the provisions of Acts/Regulations, which makes any of the provisions in the Policy inconsistent with the Act or Regulations, the provisions of the Acts/Regulations would prevail over the Policy and the same would be mutatis mutandis applicable without further modification or amendment in this Policy.

DISCLOSURES OF EVENTS OR INFORMATION**A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):**

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

Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,- (i)acquiring control, whether directly or indirectly; or, (ii)acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that - (a)the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or; (b)there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.

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 including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The Company 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).
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, revision(s) or amendment(s) and termination(s) thereof.
6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.

(7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

(7B) Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.

ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.

iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.

8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.

10. One time settlement with a bank.

11. Reference to BIFR and winding-up petition filed by any party /creditors.

12. 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.

13. Proceedings of Annual and extraordinary general meetings of the listed entity.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;

b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;

c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;

d) Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

f) Appointment/ Replacement of the Resolution Professional;

g) Prior or post-facto intimation of the meetings of Committee of Creditors;

h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

i) Number of resolution plans received by Resolution Professional;

j) Filing of resolution plan with the Tribunal;

m) Approval of resolution plan by the Tribunal or rejection, if applicable;

k) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;

l) Any other material information not involving commercial secrets.

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. 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.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

C. 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 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.

D. Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/information as specified by the Board from time to time.