

**KALYANI INVESTMENT COMPANY LIMITED**  
**POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION**  
**(Revised w.e.f. April 1, 2019)**

**1. INTRODUCTION**

The Board of Directors (the “Board”) of Kalyani Investment Company Limited (the “Company”) has adopted the following Policy for Determination of Materiality of Events or Information (the “Policy”). The Board may review and amend this Policy from time-to-time.

**2. OBJECTIVE**

This Policy is framed in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Regulations”) as amended from time-to-time and is intended to identify material events and information and upon occurrence of which the Company shall make disclosure to stock exchange(s).

Any Capitalized term used herein but not defined shall have the meaning assigned to such term under the Regulations or any other applicable law or regulations.

**3. REQUIREMENT OF DISCLOSURE OF EVENTS OR INFORMATION**

3.1. The following events/information are deemed to be material events and the Company shall make disclosure of such events to the stock exchange(s):

3.1.1. 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 Company or any other restructuring.

3.1.2. 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, re-issue of forfeited securities, alteration of calls, redemption of securities, etc.

3.1.3. Revision in Rating(s).

3.1.4. 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. re-issue 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 de-listing by the Company from stock exchange(s).

3.1.5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the

Company), 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.

- 3.1.6. Fraud / defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.
- 3.1.7. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, etc.), Auditor and Compliance Officer.
- 3.1.8. In case of resignation of the Auditor, resignation of the Auditor including detailed reasons for resignation as given by the said Auditor within 24 hours of receipt of such reasons from the Auditor.
- 3.1.9. In case of resignation of an Independent Director, within 7 days from the date of resignation, the following disclosures shall be made:
- a. Detailed reasons for the resignation of the Independent Director, as given by the said Director.
  - b. Confirmation as provided by the Independent Director along with the detailed reasons, that there is no other material reasons other than those provided for his resignation.
- 3.1.10. Appointment or discontinuation of share transfer agent.
- 3.1.11. Corporate debt restructuring.
- 3.1.12. One time settlement with a bank.
- 3.1.13. Reference to BIFR and winding-up petition filed by any party / creditors.
- 3.1.14. 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 Company.
- 3.1.15. Proceedings of Annual and extraordinary general meetings of the Company.
- 3.1.16. Amendments to memorandum and articles of association of the Company, in brief.
- 3.1.17. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.
- 3.1.18. Certain events as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) (Amendment Regulations, 2018 dated May 9, 2018 which is effective from April 1, 2019, in relation to the Corporate Insolvency Resolution Process (CIRP) as specified under Schedule III of the Regulations, if applicable under the insolvency code.
- 3.2. The Company shall make disclosure of the following events, based on materiality determined below:

Sr. No.	Events/ Information	Criteria for determination of materiality
1	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.	Loan exceeding 10% of net worth of the Company as per preceding financial year.

Sr. No.	Events/ Information	Criteria for determination of materiality
2	Effect(s) arising out of change in the regulatory framework applicable to the Company.	Affecting main business of the Company exceeding 10% of total turnover as per previous financial year.
3	Litigation(s) / dispute(s) / regulatory action(s) with impact.	Exceeding claim value of Rs.25 crores.
4	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.	Amount as specified under the Companies Act, 2013 and Rules made thereunder.
5	Giving of guarantees or indemnity or becoming a surety for any third party.	Exceeding 20% of net worth of the Company as per preceding financial year.
6	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Affecting the total turnover of the Company exceeding 10% as per preceding financial year
7	Any other events/information	Which are likely to affect 10% of total turnover or 5% of the net profit of the Company as per the last audited financial statements of the Company whichever is less.

- 3.3. The Company may make disclosure of any other information/event viz. major development which is in the opinion of Key Managerial Personnel 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 Company 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.
- 3.4. Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event / information as the Board may authorise from time-to-time.

#### **4. PROCEDURE FOR DISCLOSURE OF EVENTS OR INFORMATION**

- 4.1. The Board of Directors of the Company shall authorise from time-to-time, 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) under this Policy and the contact details of such personnel shall also be disclosed to the stock exchange(s) and on the Company's website.
- 4.2. The Company shall first disclose to stock exchange(s) all events, as specified in **Clause I** above, or information as soon as reasonably possible and not later than twenty four (24) hours from the occurrence of event or information or within the period specifically mentioned in respect of the event.

Provided that in case the disclosure is made after twenty four (24) hours of occurrence of the event or information, or within the period specifically mentioned in respect of the event, the Company shall, along with such disclosures, provide explanation for delay.

Provided further that disclosure with respect to events specified in sub-para 4 of Clause I (A) above shall be made within thirty (30) minutes of the conclusion of the board meeting.

- 4.3. The Company shall, with respect to disclosures referred to in this Policy, make disclosures updating material developments on a regular basis, till such time the event is resolved / closed, with relevant explanations.
- 4.4. The Company shall promptly inform the stock exchange(s) of all information having bearing on the performance/operation of the Company, Price Sensitive Information or any action that shall affect payment of interest or dividend on non-convertible preference shares or redemption of non-convertible debt securities or redeemable preference shares.
- Explanation- The expression 'promptly inform', shall imply that the stock exchange must be informed as soon as practically possible and without any delay and that the information shall be given first to the stock exchange(s) before providing the same to any third party.
- 4.5. Without prejudice to the generality of the above sub-clause D, the Company who has issued or is issuing non-convertible debt securities and/or non-convertible redeemable preference shares shall make disclosures as specified in sub clause B of Clause I of the Policy.
- 4.6. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.
- 4.7. The Key Managerial Personnel, authorized by the Board from time-to-time, shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- 4.8. The Key Managerial Personnel, authorized by the Board from time-to-time, may on his own initiative also, confirm or deny any reported event or information to stock exchange(s).
- 4.9. In case where an event occurs or an information is available with the Company, which has not been indicated in sub clause A & B of Clause I, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.

## **DISCLOSURES**

- 4.10. The Company shall disclose this Policy on Company's website.
- 4.11. The Company shall also disclose on its website all such events or information which has been disclosed to stock exchange(s) under this Policy, and such disclosures shall be hosted on the website of the Company for a minimum period of five (5) years and thereafter as per the archival policy of the Company, as disclosed on its website.

## **5. SCOPE AND LIMITATION**

In the event of any conflict between the provisions of this Policy and the Regulations or any other statutory enactments, the statutory enactments shall prevail over this Policy.

## **6. AMENDMENTS AND UPDATES**

The Board shall review periodically this Policy and shall also have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. The Board may also establish further rules and procedures, from time- to- time, to give effect to the intent of this Policy and further the objective of good corporate governance.

This Policy in whole or in part, shall stand modified / amended from time-to-time, without any further act on the part of the Company, as and when there would be any statutory modification(s) / amendment(s) / revision(s) to the applicable provisions thereto.

This policy has been approved by the Board at its meeting held on February 8, 2019 and has been made effective on and after April 1, 2019.

For Kalyani Investment Company Limited

A.B. Kalyani  
Chairman

April 1, 2019  
Pune