



**POLICY ON CRITERIA FOR DETERMINING
MATERIALITY OF EVENTS
OF
LLOYDS ENTERPRISES LIMITED**

CIN: L27100MH1986PLC041252

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Policy For Determining Materiality of Events

• Background:

Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) requires the Company to frame a policy for determination of materiality of an event/information specified in Para B of Part A of Schedule III of the SEBI Listing Regulations, based on the criteria specified in the said Regulation for disclosure to the Stock Exchanges and hosting it on the website of the Company.

• Objective:

The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a listed company as laid down by the Listing Regulations.
- b. To ensure that the information disclosed by the Company is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of material / price sensitive information within the context of the Company’s disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures.

• Definition:

(a) “**Act**” means the Companies Act, 2013 and the rules framed thereunder, as amended from time to time.

(b) “**Board of Directors**” or (“**Board**”) means the Board of Directors of the Company.

(c) “**Company**” means Lloyds Enterprises Limited.

(d) “**Key Managerial Personnel**” means key managerial personnel as defined under sub-section (51) of section 2 of the Companies Act, 2013.

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

(f) “**Net Worth**” shall have the meaning assigned to it in Section 2(57) of the Act;

(g) “**Policy**” means this policy, as amended from time to time.

(h) “**SEBI**” means the Securities and Exchange Board of India.

(i) **“Rules”** means the rules made under the Act.

(j) **“Turnover”** shall have the meaning assigned to it in Section 2(91) of the Act;

All other words and expressions used but not defined in this Policy, shall have the same meaning as assigned to it under the LODR Regulations, the Act, the SEBI Act, 1992 (“SEBI Act”) and the Securities Contracts (Regulation) Act, 1956 (“SCRA”).

- **Criteria for determining Materiality of events and information:**

The Company shall consider the following criteria for determination of materiality of event/ information specified in **Annexures** to this policy as and when they occur.

Where the omission of an event/ information, is likely to result in:

- a) discontinuity or alteration of event/ information already available publicly; or
- b) a significant market reaction if the said omission came to light at a later date.

Where it would be difficult to report the events/information based on criteria as stated in points a) and b) above, the same may be considered as material for disclosure, upon meeting materiality thresholds as mentioned herein below or if in the opinion of the Board of Directors of the Company, the event or information is considered as material.

- **Materiality Thresholds:**

The following will be the materiality criteria which shall apply to events specified in Annexure to this policy only.

An event specified in the Annexure to the policy would be considered material if omission of such event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- a. two percent of turnover, as per the last audited consolidated financial statements of the Company;
- b. 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;
- c. 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;

- **Authorize Key Managerial Personnel (KMP) for the purpose of determining materiality of an event or information and for the purpose of making disclosures to Stock Exchange:**

The following KMPs are hereby authorized for the purpose of determining materiality of an event or information, evaluating whether an event/ information requires Stock Exchange disclosures, and for the purpose of making disclosures to the Stock Exchanges within the applicable timelines (**“Authorized Person(s)”**):

1. Managing Director
2. Chief Financial Officer
3. Company Secretary and Compliance Officer

Details of the above referred KMPs and officers shall be also disclosed to the Stock Exchange(s) and as well as on the Company's website.

- **Amendments:**

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force, and this Policy does not, and shall not, in any manner dilute any of the requirements set out under Regulation 30 read with Schedule III of the LODR Regulations.

- **Scope and Limitation:**

In the event of any conflict between the provisions of this Policy and the LODR Regulations, as amended from time to time, the LODR Regulations shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

- **Dissemination of Policy:**

This Policy shall be hosted on the website of the Company.

Annexure I

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 line(s) 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 Company 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 Company.
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Frauds/ defaults, etc. by directors (other than key managerial personnel) or employees of the Company.
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.
13. Any other information / event viz. major development that is likely to affect the 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 the securities of the Company.

Annexure II

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 listed entity 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. Detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges.
 - 7B The Company shall make following disclosures to the Stock Exchanges within seven days from the date of resignation of Independent Director:
 - a) Detailed reasons for the resignation of independent directors as given by the said director.
 - b) The independent director shall, along with the detailed reasons, also provide a confirmation that there are no other material reasons other than those provided.
 - c) The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (a) 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. Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.
 17. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:
 - (a) suspension;
 - (b) Imposition of fine or penalty;
 - (c) settlement of proceedings;
 - (d) debarment;

- (e) disqualification;
- (f) closure of operations;

18. Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013.

Without prejudice to the generality mentioned above, the Company may make disclosures of event/information as specified by the Board from time to time.

This policy was amended by the Board of Directors on 03rd May, 2024.