

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION

▪ **Introduction and Legal Framework**

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015 requires every Listed Company to devise a Policy on criteria for determining materiality of Events or Information, for disclosing to the Stock Exchanges.

In compliance with the above requirement, Kingfa (“the Company”) has formulated this Policy on criteria for determining materiality of events or information, in order to evaluate the materiality of any events or information, timely and accurate dissemination of the same to the Stock Exchanges and to ensure good corporate governance.

SEBI vide the SEBI (LODR) (Second Amendment) Regulations, 2023 dated June 14, 2023 (“LODR Amendment Regulations”) amended the criteria for determination of materiality of events/ information specified in Para B of Part A of Schedule III of the LODR Regulations. In view of the above, this Policy has been amended by the Board of the Company in accordance with the provisions of the LODR Amendment Regulations.

▪ **Disclosure Of Events Or Information:**

1. Events/ information specified in Para A of Part A of Schedule III of LODR Regulations shall be disclosed to the Stock Exchanges, without application of the materiality criteria as specified in this Policy.
2. Events/ information specified in Para B of Part A of Schedule III of LODR Regulations shall be disclosed to the Stock Exchanges based on application of the materiality criteria, as specified in this Policy.
3. Any other event/ information which is material in opinion of the Board of the Company shall be disclosed to the Stock Exchanges.

* A link to access the LODR Regulations including Part A of Schedule III, as amended from time to time, is set out below as available on website of SEBI:

<https://www.sebi.gov.in/legal/regulations/sep-2023/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-regulations-2015-last-amended-on-september-20-2023-77239.html>

▪ **Criteria for determining the materiality of events/information**

An Event/Information shall be considered as Material if it meets any of the following criteria:

- A. the omission of an event or information 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 lower of the following:
 1. 2% of turnover, as per the last audited consolidated financial statements of the company;

2. 2% 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;
 3. 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the company
- 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.

▪ **Persons authorised to determine materiality and making disclosure**

The Chairman, Managing Director, Executive Director, Chief Financial Officer, Company Secretary and Compliance Officer are severally authorised for the purpose of determining materiality of an event or information & making disclosures thereof to stock exchanges.

▪ **Timelines for making disclosure**

- A. All events/information identified as material in line with the regulation and under this Policy shall be disclosed as soon as reasonably possible and in any case not later than the following:
1. For all material events/ information for which decision is taken in a Board meeting within 30 minutes from the closure of the board meeting;
 2. For all material events/ information emanating from within the Company within 12 hours from the occurrence of the event or information;
 3. For all material events/ information relating to the Company but emanating from outside the Company within 24 hours from the occurrence of the event or information.
- B. Disclosures with respect to events for which timelines have been specified in Part A of Schedule III of the LODR Regulations shall be made within such timelines.
- C. In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.
- D. The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved / closed, with relevant explanations.

▪ **Hosting of disclosure of events or information**

The above disclosures shall be available on the website of the Company for a period of 5 years in accordance with the Preservation and Archival Policy of the Company.

▪ **Review & Alterations**

This Policy shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments.

The Board is authorised to make such alterations to this Policy as considered appropriate, subject to condition that such alterations shall be in consonance with the applicable provisions of the Act and the LODR Regulations.