

JNK INDIA LIMITED

POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS AND INFORMATION

(Adopted by the Board on July 19, 2023)

1. REGULATORY FRAMEWORK

1.1 This policy (“**Policy**”) of JNK India Limited (“**Company**”) has been prepared and adopted in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), as amended from time to time.

1.2 Regulation 30(1) of Listing Regulations requires the Company to make disclosures to the stock exchanges of any events or information, which in the opinion of the board of directors of the Company, is material.

1.3 Regulation 30(4) of Listing Regulations requires the Company to frame a policy for determination of materiality of events or information for onward disclosure to stock exchanges based on the materiality criteria as specified in the said regulation and reiterated in this policy.

2. OBJECTIVES OF THIS POLICY

To define the principle and guidelines for determining the materiality of an event or information relating to the Company which would affect the investment decisions and to ensure that such information is timely and adequately disseminated in pursuance of the Regulations and to provide an overall governance framework for such determination of materiality.

3. DEFINITIONS:

- a) “**Board of Directors**” or “**Board**” means collectively the Directors of JNK India Limited, holding the position as Directors for the time being.
- b) “**Policy**” means this policy on determination of materiality of events/information, as amended from time to time.
- c) “**Stock Exchanges**” means National Stock Exchange of India Limited and BSE Limited.
- d) “**Key Managerial Personnel**” means Managing Director, Whole Time Director and Chief Financial Officer of JNK India Limited for the time being.

DETERMINATION OF MATERIALITY OF EVENT OR INFORMATION

4.1 Materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event / information is material the company shall consider the following criteria:

- (i) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (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; or
- (iii) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - 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;
 - 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.
- (iv) In case where the criteria specified in sub-clauses (i), (ii) and (iii) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material.

4.2 Where it would be difficult to report the event based on qualitative criteria as stated in points (i) and

(ii) above, the same may be considered material for disclosure, upon meeting materiality thresholds as mentioned herein below:

- I. For points (i) to (viii) of the clause 5 (SCOPE), if it exceeds ten percent of the income, profit before tax or networth, as may be applicable;
- II. For fraud/defaults (point (ix) of the scope), involving financial impact of Rs. 5 crores or more;
- III. For options to purchase of securities, including ESOP/ESPS Scheme, if any, (point (x) of the scope), amounting to two percent of post-issue equity share capital of the Company.

4.3 The above thresholds shall be determined on the basis of last annual audited financial statement of the Company.

5. SCOPE

The Company is required to apply the above mentioned criteria for determination of materiality of the events/information mentioned below:

- i. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
- ii. 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).
- iii. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
- iv. 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.
- v. 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.
- vi. Effect(s) arising out of change in the regulatory framework applicable to the Company.
- viii. Litigation(s) / dispute(s) / regulatory action(s) with impact.
- viii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- ix. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.
- x. Options to purchase securities including any ESOP/ESPS Scheme.
- xi. Giving of guarantees or indemnity or becoming a surety for any third party.
- xii. Capacity addition or product launch

xiii. 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 Company which may be necessary to enable the holders of securities of the Company to appraise their position and to avoid the establishment of a false market in such securities.

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

6. DISCLOSURES TO THE STOCK EXCHANGES:

The disclosures as specified under point 4.2 above shall be made to the stock exchanges within the timeline prescribed under the Listing Regulations by the Company Secretary and/or Chief Financial Officer or in his absence Whole Time Director or in his absence by the Managing Director.

This Policy shall be duly approved by the Board of Directors and shall be disclosed on the website.

7. AMENDMENT

7.1 Any amendment in this Policy may be carried out with the approval of the Board of Directors of the Company.

In case any amendment(s), clarification(s), circular(s) and guideline(s) issued by Securities and Exchange Board of India/Stock Exchanges, that is not consistent with the requirements specified under this Policy, then the provisions of such amendment(s), clarification(s), circular(s) and the guideline(s) shall prevail upon the requirements hereunder and this Policy shall stand amended accordingly effective from the date as laid down under such amendment(s), clarification(s), circular(s) and guideline(s). Such amendments shall be brought to the attention of the Board of Directors.