



**POLICY ON DISCLOSURE OF MATERIAL EVENTS /
INFORMATION**

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I. Statutory Mandate

The Board of Directors (the “Board”) of Avanti Feeds Limited (“AFL”) has adopted the following policy and procedures with regard to disclosure of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend this policy from time to time.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued on September 2, 2015, the Board of Directors with effect from 1st December, 2015 approved the “Policy for Determination of Materiality of Events or Information”. This Policy has been updated based on the amendments made to Regulation 30 and Schedule III of the LODR Regulations, by way of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 (“LODR Amendments”) and the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023 (“SEBI Disclosure Circular”).

This Policy has been approved by the Board at its meeting held on 10th August, 2023.

II. Objective and Scope

To determine the events and information, which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined.

The purpose of this documents is to present a high-level policy statement for AFL regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The policy is intended to define AFL’s policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in AFL in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and up-dation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

All the words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the Listing Regulations (as amended from time to time) and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

III. Definitions

“Audit Committee or Committee” means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, and the Companies Act, 2013.

“Board of Directors or Board” means the Board of Directors of AFL Limited, as constituted from time to time.

“Company” means a Company incorporated under the Companies Act, 1956 or under any other act prior to or after Companies Act, 1956.

“Compliance Officer” means Company Secretary of the Company.

“Independent Director” means a Director of the Company, not being a whole time Director who is not a promoter of the Company and who satisfies other criteria for independence as laid down under Schedule IV of the Companies Act, 2013 the SEBI’s LODR, 2015 as amended from time to time.

“Key Managerial Personnel” (KMP) Key Managerial Personnel as defined under Sec.2(51) of Companies Act, 2013.

“Material Events” or “Material information” are those that are specified in regulation 30 read with Para A of Part A of Schedule III of the LODR.

“Policy” means Policy on Disclosure of Material Events.

IV. Criteria for Determination of Materiality of Events/ Information

The Company shall consider the following criteria for determination of materiality of events/information:

- 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; 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) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - (2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - (3) 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 listed entity;
- 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 listed entity, the event or information is considered material.
- e) The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

V. Materiality Assessment

Materiality must be determined on a case-to-case basis depending on specific facts and circumstances relating to the information /event. The approach for determining materiality will be both qualitative and quantitative criteria, which are outlined in this policy.

Information /event that would normally be regarded as "material information /event" include the following, although the list is not exhaustive:

- Financial performance, financial condition, projections or forecasts;
- Known but unannounced future earnings or losses;
- Significant corporate events, such as a pending or proposed acquisition joint venture;
- Plans to launch new products or product defects that have significant impact, Significant developments involving business relationships with customers, suppliers or other business partners;

- Changes in auditors as per statutory requirement or otherwise;
- Events regarding the Company's securities (such as repurchase plans, stock splits or dividends, changes to the rights of security holders, public or private sales of additional securities or information related to any additional funding);
- Bankruptcies, receiverships or financial liquidity problems;
- Positive or negative developments in outstanding litigation, investigations or regulatory matters with significant impact on financial results;
- Any changes to the Company's Board of Directors or key managerial personnel and key agreements with them; or
- Any significant changes to the Company's capital structure.

For the avoidance of doubt, events listed in Para-A of Part-A of schedule III of listing regulations shall be disclosed to the stock exchanges from time to time without application of the criteria listed above.

For the purpose of assessing whether a particular event/ transaction is "material" the following information will also be considered, although the list is not exhaustive:

- The consideration involved in the transaction as a percentage of the Company's annual revenue;
- The consideration involved in the transaction as a percentage of the Company's fixed assets and as a percentage of the Company's total assets;
- Whether the transaction is in the ordinary course of business;
- Whether a related party is involved in the transaction;
- Whether the transaction is an exit from, or entry into, a significant line of business;
- Other quantitative factors relevant to a transaction.

For the avoidance of doubt, events listed in Para-B of Part-A of Schedule III of Listing Regulations shall be disclosed to the stock exchanges upon application of the guidelines for materiality as per Regulation 30(4) of the Regulations.

In case where an event occurs or an information is available with the listed entity, which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it, the Company is required to make adequate disclosures in regard thereof.

VI. Authority for determination of Materiality of events / information

The Chairman & Managing Director, Joint Managing Director, Company Secretary & CFO are hereby severally and also jointly case to case basis, authorized to determine whether the event / information is material or not and in turn about its time line for disclosure based on the category of information as specified above to the stock exchanges.

VII. Disclosures and Website Updation

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of the Listing Regulations as soon as reasonably possible and in any case not later than the following:

- (i) 30 minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken;
- (ii) 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (iii) 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

Further, disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the Listing Regulations shall be made within such timelines.

The Company shall update all disclosures made under this regulation to the stock exchanges and shall be continued to be hosted on the website of the Company.

The Company Secretary and Compliance Officer of the Company shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any. Such updates shall also be hosted on the website of the Company.

VIII. Authorization to KMPs to Suo Moto accept / deny reported event or Information:

The Key Managerial Personnel (KMPs) consisting of the Chairman and Managing Director, Joint Managing Director, Company Secretary & CFO are hereby jointly and severally authorized to Suo moto accept / deny any report event or information, which

has been unauthorizedly made public by media or by any other means including electronic means. They are further authorized to respond to the rumors amongst the general public, which has no basis or documentation, in a way which best protects the interests of the Company.

IX. Policy Review

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications.

X. Amendments

Any subsequent amendments/ modifications in the Listing Regulations and/ or applicable laws in this regard shall automatically apply to this Policy without any further act by the Board of Directors of the Company and the Chairman and Managing Director, Joint Managing Director, Company Secretary & Chief Financial Officer or Compliance Officer of the Company shall be severally authorized to give effect to such changes in the Policy, from time to time.

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