

Kross Limited

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS/ INFORMATION (Materiality Policy)

**Under Regulation 30(4) (ii) of the Securities and Exchange Board of India (Listing
Obligations and Disclosure Requirements) Regulations, 2015**

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1. PREAMBLE

Regulation 30(4) (ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), mandates every listed shall frame a policy for determination of materiality of events/ information, duly approved by its Board of Directors. This policy is required to be disclosed on the website of the company.

The Board of Directors of Kross Limited (“the **Company**”) has adopted the following policy and the Board may amend this policy from time to time.

2. DEFINITIONS

In this policy unless the context otherwise requires, the below-mentioned words shall be construed in accordance with the meaning ascribed hereunder:

“**Act**” means the Companies Act, 2013 and rules made there under, as amended from time to time.

“**Authorized Key Managerial Personnel**” shall have the same meaning ascribed to it under Clause V of this Policy.

“**Board**” or “**Board of Directors**” shall mean the Board of Directors of Kross Limited, as may be re-constituted from time to time.

“**Company**” means Kross Limited.

“**Financial Year**” shall have the same meaning ascribed to it under the Act.

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

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

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

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

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

“**Rules**” means the rules made under the Act.

“**Stock Exchange(s)**” means BSE Limited and the National Stock Exchange of India Limited, where the equity shares of the Company are listed.

“**Mainstream Media**” shall include print or electronic mode of the following:

- i. Newspapers registered with the Registrar of Newspapers for India;
- ii. News channels permitted by Ministry of Information and Broadcasting under Government of

India;

iii. Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and

iv. Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India;

“Material Events” means events specified in Schedule III to SEBI Listing Regulations, upon the occurrence of which a listed entity shall make disclosures to the stock exchange(s) and post such disclosures on the website of the listed entity.

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**”).

3. PROCEDURE TO DETERMINE MATERIALITY OF EVENTS OF INFORMATION

Materiality shall be determined on a case-to-case basis depending on specific facts and circumstances relating to the information/event in accordance with criteria as given below:

A. An event/ information as specified in Para-A of Part A of the Schedule III of the SEBI Listing Regulations (Annexure 1)

All events/ information as specified in Para-A of Part A of the Schedule III of the SEBI Listing Regulations, as amended from time to time shall be deemed to be material events/ information and shall be disclosed to the stock exchange and posted on the website of the Company. This events/ information shall not be subject to application of guidelines for materiality.

B. An event/information as specified in Para B of Part A Schedule III of the SEBI Listing Regulations (Annexure 2)

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

Quantitative criteria would be calculated based on audited consolidated financial statements and would mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:

- 2% (two per cent) of consolidated turnover, as per the last audited consolidated financial statements of the Company; or
- 2% (two per cent) of consolidated 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); or
- 5% (five percent) of average of absolute value of consolidated profit or loss after tax for last 3 years, as per the last 3 (three) audited consolidated financial statements of the Company.

In terms of the SEBI Disclosure Circular, if the average of absolute value of profit or loss is required to be considered by disregarding the ‘sign’ (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for ‘materiality’ of the event and not for any commercial consideration.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

Qualitative criteria would mean an event/ information:

- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- 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
- any other event/information may be treated as being material if in the opinion of the Board of directors of Company, the event / information is considered material.

C. An event/ information not specified in (A)& (B) above

Any other information/event not specified in (A) & (B) having major impact on business, operations, performance, financial condition, prospects, reputation, results of operations or cash flows of the Company or any adverse impact on the Company shall be disclosed to the stock exchanges. Other events as specified by SEBI and listed in **Annexure 3**.

4. GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION & ITS TIMELY DISCLOSURE

a) The occurrence of material events/information could be either emanating from within or outside the listed entity by the Company's own accord or for reasons not in the hands of the Company. It can be categorized as under:

b) Depends upon the stage of discussion, negotiation or approval; and

c) in case of natural calamities disrupting operations etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 7(a), the events/information can be said to have occurred upon receipt of approval of the Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval. Approvals other than final approvals, such as in-principal approvals, exploratory approvals etc. will not require disclosure under this Code.

In respect of the events under 7(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Act and shall also include Promoter of the Company.

5. TIMEFRAME FOR MAKING DISCLOSURES

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

i. thirty 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;

In case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the Normal Trading Hours of the next trading day, the Company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting.

Further in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- ii. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- iii. twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity.

Provided that if all the relevant information, in respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute in terms of point no. 8 of Annexure 2 of this Policy, is maintained in the structured digital database of the Company in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the Company.

In case, the Company discloses any event or information after the timelines specified under the Listing Regulation, it shall, along with such disclosure provide the explanation for the delay.

- 2. The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s), and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of Company.
- 3. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company to the stock exchange(s).

6. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION

The key managerial personnel (KMPs) of the Company consisting of the managing director & chief executive officer/ whole-time director(s), chief financial officer and company secretary are hereby jointly and severally authorized to determine the materiality of an event or information and make disclosures to stock exchange(s), subject to such information being placed prior to or at the next Board Meeting held after the said information being made public. All disclosures shall be available on the website of the Company for a period of 5 years.

7. MODIFICATION OF THE POLICY

This Policy is framed based on the provisions of the SEBI Listing Regulations as notified on September 2, 2015. In case of any subsequent amendments to the SEBI Listing Regulations which makes any of the provisions in the Policy inconsistent, the provisions of the SEBI Listing Regulations shall prevail. The Policy shall be reviewed by the Audit Committee and on recommendations shall be modified by the Board so as to align the same with the amendments or to incorporate the changes as may be felt appropriate by the Audit Committee.

The list of events in Annexure A, as it stands today may be updated, from time to time, by company secretary & compliance officer, to reflect any changes to the SEBI Listing Regulations and the updated version be issued and published as necessary, without any requirement for approval from the Board.

8. EFFECTIVE DATE

The policy will be effective from 09th November 2023.
Latest Amended on January 29, 2026