

**POLICY FOR
DETERMINATION OF
MATERIALITY OF EVENT
/ INFORMATION**

Of

ARIES AGRO LIMITED

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1. Preface

Pursuant to Regulation 30(4)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the Board of Directors (the “Board”) of Aries Agro Limited (the “Company”) has adopted the following policy and procedures with regard to determine materiality of events or information which are required to be disclosed to the Stock Exchanges.

2. Purpose of the Policy

The purpose of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality. The Policy shall serve as Guideline and assist the relevant Employees of the Company in identifying any potential Material Event or Information and reporting the same to the authorized Key Managerial Personnel for determining the Materiality of the said Event or Information and for making the necessary disclosures to the Stock Exchange(s).

3. Materiality

Materiality is determined in reference to “information about sustainability Performance of the Company” that is interpreted as:

- determining what issues, concerns and impacts are relevant and important to sustainability performance;
- determining why, how and at what point they are relevant and important to sustainability performance;
- determining who they are relevant and important for; and
- ensuring that the identification of material aspects, and their relation to the stakeholders for whom they are material, is fair and balanced.

4 Process of ascertaining Materiality

Team of Key Managerial Personnel should evaluate the issues, concerns and impacts material to the Company and its stakeholders, and whether there are any material misrepresentations or omissions in its reporting.

A material misrepresentation or omission is when information is not disclosed or, if disclosed, is in some way distorted such that it could influence the decisions, actions and behaviour of Stakeholders or the Company itself.

5. Procedural Guidelines for determination of Materiality of Events/Information

Based on the Materiality concept as stated above, the internal system for reporting any event / information which may require disclosure so that the event / information can be properly assessed and decision can be made regarding its disclosure to the Stock Exchanges.

Under the system, Functional Heads or Unit Heads who are responsible for relevant areas of the Company's operations (Responsible Officers) must report to any of the Team Members of Key Managerial Personnel namely Managing Director or the Executive Director or Chief Financial Officer or Compliance Officer (who is normally the Company Secretary ("Team") unless this post is vacant) of the Company any event / information which may possibly be material or of which the Responsible Officer is unsure as to its materiality. The event / information should be reported immediately after a Responsible Officer becomes aware of it.

On receipt of communication of potential material event / information, Team of will--

- i. Review event / information and to take whatever steps necessary to verify its accuracy;
- ii. Assess whether the event / information is required to be disclosed to the Stock Exchanges under the Listing Regulations;
- iii. Decide by majority that whether event /information is material and requires disclosure under Regulation 30 of the Listing Regulations.
- iv. Where the Team is not certain about materiality of event / information, they may refer matter for external legal advice.

6. Procedures to be followed to disseminate information of material events/ information

The procedure to be followed in relation to the lodgement of announcement of material event / information is as follows:

- i. If the event / information is material, the Compliance Officer will prepare communication in consultation either with the Managing Director or Executive Director and in absence of them the Chief Financial Officer of the Company.
- ii. Lodge Announcements: The Compliance Officer on behalf of the Company will lodge or arrange for lodgment of the announcement with the Stock Exchanges.
- iii. Post announcement on website: After lodgment of the announcement with the Stock Exchanges, the Compliance Officer will arrange to place it on the website of the Company. All the announcements made under this Policy shall be kept on the website as per the Archival Policy of the Company.

7. Disclosure of Events or Information

A. The Events / Information specified in Para A of Part A of Schedule III to the Listing Regulations are deemed to be Material Events upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the Guidelines for Materiality.

B. The Events / Information specified in Para B of Part A of Schedule III to the Listing Regulations upon occurrence of which the Company shall make disclosure to the Stock Exchanges after following the procedural guidelines for Materiality, as specified in Regulation 30(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). as given hereunder:

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 Company;

(2) 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;

(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 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, the event or information is considered material.

Note – Revenue/Net worth shall be calculated based on last Audited Financials and interpreted in view of applicable accounting standards.*

***8. Timeline for Disclosure**

The Company shall first disclose to the stock exchange(s) all events or information which are material 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;

(ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company ;

(iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III shall be made within the prescribed timelines.

In case the disclosure is made after the specified timelines, the Company shall, along with such disclosure provide the explanation for the delay in making the disclosure.*

9. Communication of this Policy

A copy of this Policy shall be circulated to all Directors and employees of the Company within one month of the adoption of this Policy by the Board of Directors of the Company. This Policy shall also be posted on the web-site of the Company.

10. Amendment

Any change in the Listing Regulations and/or other applicable law in this regard shall automatically apply to this Policy. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

11. Archival Policy

All information and reports uploaded / hosted on the website of the Company shall be archived after every expiry of every five years from date of its posting or hosting. The Archived documents shall be removed / deleted from the website after expiry of five years from date of its initial archive.

Note: **Amended by the Board in its Meeting held on 10.08.2023*