

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS



Version	Approved by	Approved On	Effective From
Version 1.0	Board of Directors	May 13, 2021	May 13, 2021
Version 2.0	Board of Directors	February 12, 2025	February 12, 2025

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS

1. INTRODUCTION

This policy on determination of materiality / material events ("**Policy**") of Krsnaa Diagnostics Limited ("**Company**") aims to provide the framework and guidelines to be following as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("**Regulations**") for determining the materiality of an event or information.

2. OBJECTIVES

This Policy is intended to circulate and disseminate such event (s) or information(s) which in the view of the Board of Directors and the Securities and Exchange Board of India ("**SEBI**") as defined hereinafter, is material for the purpose of protecting and safeguarding the interest of the Company and its stakeholders, by putting all of them on the same footing and to prevent insider trading, thereby enabling and promoting greater transparency. It is essential that timely, adequate and accurate disclosure of information is made on an ongoing basis to enable the stakeholders or investors to make well-informed investment decisions. It is also important that there is uniformity in disclosures to ensure compliance in letter and spirit.

3. DEFINITION

"**Act**" means the Companies Act, 2013 including the rules, schedules, clarifications, and guidelines issued by the Ministry of Corporate Affairs and any amendment thereto and/or modification thereof from time to time.

"**Board**" refers to the Board of Directors of Krsnaa Diagnostics Limited.

"**Listing Regulations**" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendment thereto and/or modification thereof from time to time, and includes any circulars, guidelines, and directions issued thereunder or in relation thereto.

"**Mainstream Media**" shall have the meaning prescribed to such term under the Listing Regulations read with related SEBI Circulars, Notifications, Guidance Note, and Industry Standards as recognised by the SEBI.

"**Senior Management Personnel**" shall have the same meaning as prescribed under the Code of Conduct for Board Members and Senior Management Personnel.

“**Subsidiary(s)**” shall mean subsidiaries of the Company as defined under the Act.

Words and expressions used and not defined in this Policy shall have the meaning as described in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended, or the Companies Act, 2013 and rules and regulations made thereunder.

4. POLICY AND PROCEDURE

I. MATERIALITY THRESHOLDS:

1. In terms of Regulation 30 of the Listing Regulations, the Company is required to make disclosures of any event/information which, in the opinion of the Board of the Company, is material.
2. Events specified in Para A of Part A of Schedule III are deemed to be material events and the Company is required to make disclosure of such events.
3. The Company is required to make disclosure of material events, including events specified in Para B of Part A of Schedule III, based on application of the guidelines for materiality as set out below or such other guidelines as may be prescribed under law:
 - 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:
 - two percent of turnover, as per the last audited consolidated financial statements of the listed entity;.
 - 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;
 - 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) Following shall be the additional considerations in determining the materiality thresholds as stated above:
 - materiality to be assessed at the level of each individual disclosure requirement and, where relevant, on an aggregate basis; and
 - additional considerations to be taken into account by the Company when they are considered as plausible and objectively reasonable.
4. As specified in Para C of Part A of Schedule III of the Listing Regulations, the Company shall promptly disclose any other information/event which may be necessary to enable the holders

of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

5. The Company shall disclose to the Stock Exchanges all such event/information which are material in terms of the provisions of Regulation 30 of the Listing Regulations, within such timeline as prescribed by the SEBI, in terms of the Listing Regulations.
6. The Company shall also disclose all event/information with respect to subsidiaries of the Company which are material for the Company as per the thresholds specified in clause 3 above.
7. The Company, shall confirm, deny, or clarify, any reported event/information in the Mainstream Media, which is not general in nature, and which indicates that rumour of an impending specific event or information is circulating amongst the investing public; provided such rumour results in a material price movement in the shares of the Company, determined in the manner prescribed under Regulation 30 of the Listing Regulations read with the related SEBI Circulars, Notifications, Guidance Note, and Industry Standards from time to time.

II. DISCLOSURE OF EVENT/INFORMATION

1. The Managing Director, Chief Executive Officer or the Chief Financial Officer of the Company shall severally be responsible and authorised for ascertaining the materiality of event/information considering its nature and disclosure after taking into account various provisions of the Listing Regulations and this Policy.
2. In the absence of any of the above any of the executive Directors would be authorized for ascertaining the materiality of event/information.
3. The contact details of the persons authorised to determine materiality of events under this Policy are as follows:

Sr No	Name	Designation	Contact Details
1.	Mr. Yash Mutha	Managing Director	Krsnaa Diagnostics Limited S. No. 243/A, Hissa No. 6, CTS No. 4519, 4519/1, Near Chinchwad Station, Chinchwad, Taluka, Haveli, Pune, Maharashtra – 411019 Phone: (020) 2740 2400
2.	Mr. Mitesh Dave	Group Chief Executive Officer	
3.	Mr. Pawan Daga	Chief Financial Officer	

4. The disclosures made under Regulation 30 of the Listing Regulations and such other disclosures as may be required, shall be hosted on the website of the Company and simultaneously communicated to the Stock Exchanges in the permitted mode. All disclosures shall be available on the website of the Company for a period of 5 (five) years and thereafter in accordance with the Archival Policy of the Company.

5. AMENDMENTS

The Company is dedicated to regularly assess and update its policies and procedures. Consequently, this policy may be amended from time to time subject to Board approval and in compliance with applicable laws and regulations. This policy and any further modifications/ amendments to the same shall be promptly disclosed on the Company's website and filed in accordance with the applicable laws and regulations.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the Effective Date as laid down under such amendment(s), clarification(s), circular(s) etc.

