

Familiarisation Programme for Independent Directors

PREAMBLE

In terms of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed Companies shall conduct familiarization programme for Independent Directors so as to familiarize them with the Company, their roles & responsibilities, their rights, nature of industry in which the company operates, business model of the Company etc. through various initiatives.

INDUCTION PROGRAMME

A new Director is welcomed to the Board of the Company by sharing the following documents

- (a) Company's Corporate Profile and Memorandum of Association & Article of Association of the Company
- (b) Annual Report for last three years
- (c) Code of Conduct applicable for Directors and Senior Management Personnel
- (d) Note on Directors roles and responsibilities.
- (e) Material of the Company that explains the range of the products offered by the Company to its customers.
- (f) Note on the key customers of the Company and their geographical distribution in terms of the work across and the revenue.

In case the Independent Director is also inducted on Audit Committee, he is also handed the Terms of reference of Audit Committee and Whistle Blower Policy.

The appointment letter issued to Independent Directors inter alia sets out the expectation of the Board from the appointed Director, their fiduciary duties and responsibilities that come with the appointment as a Director of the Company, along with the details of remuneration and performance review process.

ONGOING FAMILARISATION PROGRAMMES

During the Board meetings of the Company various presentations are made by business heads of the Company from time to time on different functions and areas in order to enable the Directors to better understand the Business and operations of the Company.

Presentations are made at the Board and Board Committee Meetings, on Business and performance updates of the Company, business strategy and risks involved, market share and other financial parameters, working capital management, litigations, compliances and fund flows.

Each Independent Director of the Company has complete access to information relating to the Company like policies, Board Presentations and Financials at all times. Independent Directors have the freedom to interact with the Company's management. They are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry segments of which it is a part.

Further, Independent Directors meet for a separate meeting of Independent Directors annually without the presence of the Company's Management Personnel to broadly discuss matters pertaining to the Company's affairs and put forth their combined views to the Board.

The Chairman of the Board depending on the business needs may also nominate independent directors for relevant external training programs.

Details of Familiarization Sessions held w .e. f 1st April, 2015 are as follows

Sl. No.	Date of Programme	No. of hours spent
1	30-05-2015	2
2	28-05-2016	2
3	30-05-2017	2
4	30-05-2018	2
5	30-05-2019	2
6	25-08-2020	2
7	14-08-2021	2
8	30-08-2022	2
9	14-08-2023	2
10	14-08-2024	2

Details of attendance of the Independent Directors in the Familiarization Programme are as follows up to 31.03.2025

Sl. No.	Name of the Independent Director	No. of sessions attended during		No. of hours spent in the sessions attended	
		FY 2024-25	Cumulative till date	FY 2024-25	Cumulative till date
1	Shri. H K Nagendra	1	2	2	4
2	Shri. M D Dhanush *	1	1	2	2

Appointed w.e.f. 27th September 2024

POLICY FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION FOR DISCLOSURE TO STOCK EXCHANGE(S), 2016

(Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

1. Preface

In terms of Regulation 30 of SEBI-LODR (as defined herein below), every listed entity shall make disclosures of events or information to Stock Exchange(s) which in the opinion of the Board of Directors of the listed entity are material. The listed entity is required to frame a policy for determination of materiality of events/information under Regulation 30(4)(ii) of the SEBI-LODR for the purpose of adequate, accurate, explicit and timely disclosures of the same to the Stock Exchanges.

Objective of the Policy

VENLON ENTERPRISES LIMITED, being a listed entity is obligated to comply with the disclosure requirements under the Regulation 30 of the SEBI-LODR. The primary objective of the Policy is to determine the events or information which in the opinion of the Board of Directors is material, considering the criteria mentioned in the Regulation 30(4)(i) of the SEBI LDOR and needs to be disclosed to the Stock Exchanges in the timeframe provided therein.

The Policy intends to provide guidance to the Board of Directors, Key Managerial Personnel and other employees of the Company in understanding and making decisions about disclosure of such events or information which may materially affect the performance/operation of the Company and thereby the prices of the listed securities of the Company. Further, the Policy is designed for systematic identification, categorization, review and disclosure to the stock exchanges and hosting on the Company's website and regular updation of the events/information which may have material bearing on the performance /operation of the Company and as a result, affect the market prices of the listed securities of the Company.

Words/Expressions used but not defined in the Policy shall have the same meaning as assigned to them in the SEBI-LODR or any modification thereto.

Definitions

- (a) "Audit Committee" means the Audit Committee as constituted from time to time by the Board of Directors of the Company.
- (b) "Board of Directors" means the Board of Directors of VENLON ENTERPRISES LIMITED as constituted from time to time.
- (c) "Company" means VENLON ENTERPRISES LIMITED.
- (d) "Key Managerial Personnel "(KMP) means and includes Chairman, Whole-time Directors and Company Secretary of the Company, in accordance with Section 2(51) of the Companies Act, 2013 who may be authorized (jointly and/or severally) to determine the material events or information for disclosing to Stock Exchanges from time to time and for making disclosures to Stock Exchanges under the Regulation 30 of SEBI-LODR.
- (e) "Policy" shall mean this Policy for determining materiality of events/information for disclosure to Stock Exchanges and as amended from time to time.

- (f) “SEBI-LODR” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Categories of Events/ Information

Category-A

In terms of Regulation 30(2) (Sub Para 4 of Para A of Part A of Schedule-III) of SEBI-LODR, the following events/information shall be disclosed within 30 minutes of the conclusion of the Meeting of the Board of Directors where the relevant event/information is considered by the Board:

- (i) Dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
- (ii) Any cancellation of dividend with reasons thereof;
- (iii) The decision on buyback of securities;
- (iv) The decision with respect to fund raising proposed to be undertaken
- (v) Increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
- (vi) Reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
- (vii) Short particulars of any other alterations of capital, including calls;
- (viii) Financial results;
- (ix) Decision on voluntary delisting by the Company from stock exchange(s).

Category-B

In terms of Regulation 30(2) (Para A of Part A of Schedule-III) of SEBI-LODR, the following events/information shall be disclosed not later than 24 hours of the occurrence of the event without any application of the guidelines for materiality specified herein in accordance with sub-regulation (4)(i) of the Regulation 30:

- (i) Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary. of the Company or any other restructuring.

For the purpose of the above sub-para, the word “acquisition” shall means

a) Acquiring control, whether directly or indirectly; or,

b) Acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that -

I. The Company holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company; or

II. There has been a change in holding from the last disclosure made under sub-clause (I) above and such change exceeds two per cent of the total shareholding or voting rights in the said company.

(ii) Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities, etc.

- (iii) Revision in Rating(s).
- (iv) Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), agreement(s)/treaty (ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- (v) Fraud/defaults by promoter or key managerial personnel or by the Company or arrest of key managerial personnel or promoter.
- (vi) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, etc.), Auditor and Compliance Officer.
- (vii) Appointment or discontinuation of share transfer agent.
- (viii) Corporate debt restructuring.
- (ix) One time settlement with a bank.
- (x) Reference to BIFR and winding-up petition filed by any party /creditors.
- (xi) Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the Company.
- (xii) Proceedings of Annual and extraordinary general meetings of the Company.
- (xiii) Amendments to memorandum and articles of association of the Company, in brief.
- (xiv) Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;
- (xv) Detailed reason for resignation of auditors
- (xvi) Letter of resignation of independent director along with detailed reasons for resignation and names of listed entities in which the resigning director holds directorship.
- (xvii) Resolution plan in relation to loans/borrowings from banks/financials institutions.
- (xviii) Events pertaining to corporate resolution process.
- (xix) Initiation of Forensic audit.

Category-C

In terms of Regulation 30(3) (Para B of Part A of Schedule-III) of SEBI-LODR, the following events/information shall be disclosed not later than 24 hours of the occurrence of the event subject to the materiality of event to be determined by the Company based on the application of the criteria for materiality as specified in para 7 below in accordance with sub-regulation (4)(i) of the Regulation 30:

Sl No.	Events/ Information	Criteria for determination of materiality
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division	Exceeding 10% of total production of the Company as per the preceding financial year.
2	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).	Investment exceeding 10% of total turnover of the Company as per preceding financial year Closure of operation of any unit/division which generates 10% of total turnover of the Company during the previous financial year.
3	Capacity addition or product launch	Exceeding 10% of capacity addition of the existing product capacity; or New product launch

4	Awarding, bagging / receiving, amendment or termination of awarded/bagged orders / contracts not in the normal course of business	Order/ contracts exceeding 10% of total turnover of the Company as per preceding financial year.
5	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.	Loan exceeding 10% of net worth of the Company as per preceding financial year
6	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	Which results in discontinuation of operation of that unit / division for more than 10 working days.
7	Effect(s) arising out of change in the regulatory framework applicable to the Company	Affecting main business of the Company exceeding 10% of total turnover as per previous financial year
8	Litigation(s) / dispute(s) / regulatory action(s) with impact.	Exceeding claim value of Rs.5 crores
9	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.	Amount as specified under the Companies Act, 2013 and Rules made thereunder.
10	Giving of guarantees or indemnity or becoming a surety for any third party	Exceeding 20% of net worth of the Company as per preceding financial year.
11	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals	Affecting the total turnover of the Company exceeding 10% as per preceding financial year
12	Any other events/information	Which are likely to affect 10% of total turnover or 5% of the net profit of the Company as per the last audited financial statements of the Company whichever is less

Category- D

In terms of Para C of Part A of Schedule-III of SEBI-LODR any other information/event viz. major development that is likely to affect business shall be disclosed not later than 24 hours of the occurrence of the event e.g. emergence of new technologies; expiry of patents; and 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 its position and to avoid the establishment of a false market in such securities.

Further in terms of Regulation 30(12) of the SEBI-LODR in case where an event occurs or any information is available with the Company, which has not been indicated above in category A or category B or category C but which may have material effect on it, the Company shall make adequate disclosures in regard thereof.

Category - E

The Board of Directors shall without prejudice to the generality of provisions specified above, may disclose any other event/information within the prescribed time as required by the SEBI.

Criteria For Determining Materiality For Disclosure Of Events/ Information Listed Under Category C Above.

I. The following criteria shall be followed for determination of Materiality of events/information listed under Category 'C' above:

- (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;
- (c) In case where the criteria specified in sub-clauses (a) and (b) above are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company/, the event / information is considered material.

II. In addition to the above, the Board of Directors (as defined herein below) may consider the impact on the following parameters for determination of materiality of an event:

- (i) Cash flow position
- (ii) Credit worthiness
- (iii) Volume and scope of operations
- (iv) Revenue
- (v) Employee retention and attrition
- (vi) Workers agitation including cases of strikes, lock outs, etc.
- (vii) Factors affecting the market price or the volume of securities listed on stock exchange(s).
- (viii) Parameters which may affect the goodwill of the Company.

However, the limit, if any, for each of the above mentioned parameters may be decided by the Board of Directors.

Procedure for Disclosure

The Functional Director(s)/Head of Department(s) of the Company shall be communicated regarding the requirements under this Policy. The concerned Functional Director/ Head of Department shall bring all the events/information to the attention of the Board of Directors in writing for their consideration. The said written communication shall contain all the required information as required under SEBI-LODR and shall be communicated to the Board of Directors well in time so that the requirements of this Policy can be adhered to. Any such event/ information, which is brought to the notice of the Board of Directors and they opine that the same is required to be disclosed to the Stock Exchange(s), shall be disclosed in terms of this Policy.

Delay in Disclosures/Updation/Replies to the Stock Exchange(s)

(a) In case any disclosure of any event or information required to be made in accordance with this Policy is made to the Stock Exchange(s) after twenty-four (24) hours of occurrence of such event or information, the Company shall along with such disclosure(s) provide an explanation for the delay.

(b) Any event/information which has been disclosed to the Stock Exchange(s) in accordance with this Policy shall be updated regularly on the basis of any material development till the event is resolved/closed with relevant explanations.

(c) The Company shall provide specific and adequate reply to all queries raised by any Stock Exchange(s) with respect to any events or information.

Updation of Company's Website and Disclosures to Stock Exchange(s)

The Company shall update all disclosures of events made under the Policy to the Stock Exchange(s) on its website and such disclosures shall be continued to be hosted on the website of the Company for a minimum period of five years and thereafter as per the Archival Policy of the Company, as disclosed on the website.

Dealing with unapproved disclosure event or information and/ or rumours.

The, Company Secretary and Chief of Corporate Affairs are hereby jointly and/ or severally authorized to accept/deny any reported event/information, which is accidentally disclosed without approval or is made public by any means whatsoever including but not limited to media, electronic means. They are further authorized to respond to the rumors amongst the general public, having no basis or documentation, in the interest of the Company.

Compliance Officer

The Company Secretary shall be the Compliance Officer for the purpose of complying with the provisions of the SEBI-LODR and shall ensure overall compliance of this Policy, including making disclosure to the Stock Exchange(s) of event/ information as approved by the Board of Directors.

Amendment

VENLON ENTERPRISES LIMITED is authorized to amend or modify this Policy on the recommendations of the Audit Committee. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

Disclosure of contact details of key managerial personnel who are authorized for the purpose of determining materiality of an event

1. C.D.Datwani

Chairman and Managing Director

datwanichand@gmail.com

2. G.D.Rama Rao

Company Secretary and Compliance officer

gdrvenlon@gmail.com