



February 3, 2022

Ref: Sec/Sto/2022/02/01

**Corporate Relationship Department
BSE Limited**

Phiroze Jeejeebhoy Towers Dalal Street,
Mumbai – 400001

**Subject: Outcome of the Board Meeting dated February 3, 2022
Disclosure under Regulation 30 and 33 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015.**

**Ref: [Scrip code: 505890] - Kennametal India Limited
Our Letter No. Sec/Sto/2022/01/03 dated January 12, 2022**

Dear Sirs,

In further to our letter dated, January 12, 2022 informing you about the Board meeting schedule, we append hereunder the outcome of the Board Meeting held today.

- I. Based on the recommendations of the Audit Committee of the Board which met earlier in the day, the Board of Directors of Kennametal India Limited (the 'Company') at its meeting held today considered and approved:
1. The Standalone Un-Audited Financial Results ("UAFR") of the Company for the second quarter and half year ended December 31, 2021 and
 2. The Consolidated UAFR of the Company for the second quarter and half year ended December 31, 2021.

Kindly find enclosed:

- a. The Standalone UAFR for the second quarter and half year ended December 31, 2021 as approved by the Board of Directors along with the Standalone Limited Review Reports issued by the Statutory Auditors and
- b. The Consolidated UAFR for the second quarter and half year ended December 31, 2021 as approved by the Board of Directors along with the Consolidated Limited Review Reports by the Statutory Auditors.

Please note that:

- i. There are no qualifications or matter of emphasis made by the Statutory Auditors in the Standalone Limited Review Reports for the second quarter and half year ended December 31, 2021.
 - ii. There are no qualifications or matter of emphasis made by the Statutory Auditors in the Consolidated Limited Review Reports for the second quarter and half year ended December 31, 2021.
- II.** The Press Release on the aforesaid Financial Results of the Company is also enclosed to this letter and the same please be taken on record.
- III.** Adopted the following amended policies / codes of the Company:
- A. Policy on Materiality of Related Party Transaction and on dealing with Related Party Transactions;
 - B. Policy for Determination of Materiality for disclosure of events or information;

Pursuant to the Policy for determination of materiality for disclosure of events or information, majority of the Key Managerial Personnel shall be the Authorised Officials to determine the materiality of events or information.

The Company Secretary is authorized to make intimation/s to the Stock Exchange. In the absence of the Company Secretary, for any reasons, the Chief Financial Officer shall be the responsible person to disseminate intimation/s to stock exchange. In the absence of both Company Secretary and Chief Financial Officer, for any reasons, the Managing Director shall be the responsible person authorised to disseminate information to Stock Exchange.

Contact details of the Key Managerial Personnel are as below:

Sl. No.	Name	Designation	Contact No.
1	Mr. Vijaykrishnan Venkatesan	Managing Director	080 - 43281 201
2	Mr. Suresh Reddy K V	Chief Financial Officer	080 - 43281 204
3	Mr. Naveen Chandra Prakash	General Manager - Legal & Company Secretary	080 - 43281 345

- C. Code of conduct for regulating, monitoring and reporting of trading in securities by designated person, their immediate relatives; and
- D. Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information.

Copy of the aforesaid policies / codes are enclosed to this letter.

The meeting commenced at 5:30 PM and concluded at 8:02 PM.

Kindly take the same on record.

Thanking You.

Yours Truly,

For **Kennametal India Limited**

A handwritten signature in blue ink that reads 'Naveen Chandra P.'.

Naveen Chandra P
General Manager – Legal & Company Secretary

Enclosure: As above

Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Kennametal India Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Kennametal India Limited ('the Company') for the quarter ended 31 December 2021 and the year to date results for the period 01 July 2021 to 31 December 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Walker Chandniok & Co LLP

4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandniok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

**Vijay Vikram
Singh**

Digitally signed by
Vijay Vikram Singh
Date: 2022.02.03
19:32:20 +05'30'

Vijay Vikram Singh

Partner

Membership No. 059139

UDIN: 22059139AAHHYS3076

Bengaluru

03 February 2022



Kennametal India Limited

CIN: L27109KA1964PLC001546

Regd Office : 8/9th Mile, Tumkur Road, Bengaluru - 560 073

Website: www.kennametal.com/hi/about-us/kil-financials.html, Email: in.investorrelation@kennametal.com

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Statement of Standalone Unaudited Financial Results for the quarter and half year ended December 31, 2021

(All amounts in ₹ millions, except per share data)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	June 30, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	INCOME						
	Revenue from operations	2,390	2,375	1,933	4,765	3,716	8,114
	Other income	34	17	27	51	55	85
	Total income	2,424	2,392	1,960	4,816	3,771	8,199
II	EXPENSES						
	Cost of materials consumed	705	668	525	1,373	1,023	2,196
	Purchase of stock-in-trade	601	619	448	1,220	811	2,175
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(114)	(107)	92	(221)	225	(46)
	Employee benefits expense	349	339	275	688	542	1,215
	Finance costs	-	-	1	-	3	3
	Depreciation and amortisation expense	89	92	94	181	190	378
	Other expenses	390	403	346	793	638	1,374
	Total expenses	2,020	2,014	1,781	4,034	3,432	7,295
III	Profit before exceptional items and tax (I-II)	404	378	179	782	339	904
IV	Exceptional items (refer note 3)	-	-	-	-	(10)	(10)
V	Profit before tax (III-IV)	404	378	179	782	329	894
VI	Tax expense/(credit)						
	Current tax	104	98	45	202	83	232
	Deferred tax (credit)/charge	(4)	(3)	4	(7)	7	(4)
	Total tax expense	100	95	49	195	90	228
VII	Net profit for the period/year (V-VI)	304	283	130	587	239	666
VIII	Other comprehensive income, net of income tax						
	(i) Items that will not be reclassified to profit or loss	-	-	6	-	6	2
	Income tax relating to items that will not be reclassified to profit or loss	-	-	(2)	-	(2)	(1)
	Total other comprehensive income, net of income tax	-	-	4	-	4	1
IX	Total comprehensive income for the period/year (VII+VIII)	304	283	134	587	243	667
X	Paid-up of equity share capital (21,978,240 shares of face value of ₹ 10 per share)	220	220	220	220	220	220
XI	Other equity	-	-	-	-	-	5,514
XII	Earnings per share [Face Value of ₹ 10 per share (not annualised)]						
	- Basic (₹)	13.83	12.89	5.91	26.71	10.87	30.29
	- Diluted (₹)	13.83	12.89	5.91	26.71	10.87	30.29



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Reporting of standalone segment wise revenue, results, segment assets and liabilities for the quarter and half year ended December 31, 2021

(All amounts in ₹ millions, except per share data)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	June 30, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	<u>Revenue from operations</u>						
	Machining solutions	347	297	261	644	533	1,104
	Hard metal and hard metal products	2,043	2,078	1,672	4,121	3,183	7,010
	Revenue from operations	2,390	2,375	1,933	4,765	3,716	8,114
2	Segment Results						
	Machining Solutions	53	34	8	87	20	70
	Hard metal and hard metal products	411	411	225	822	441	1,073
	Total	464	445	233	909	461	1,143
	<u>Add / (Less) :</u>						
	Other unallocable income	13	12	8	25	15	38
	Other unallocable expenditure	(73)	(79)	(62)	(152)	(137)	(277)
	Exceptional items	-	-	-	-	(10)	(10)
	Total profit before tax	404	378	179	782	329	894
3	Segment Assets						
	Machining solutions	963	784	638	963	638	697
	Hard metal and hard metal products	5,508	5,553	5,001	5,508	5,001	5,406
	Other unallocable assets	1,703	1,557	1,509	1,703	1,509	1,545
	Total assets	8,174	7,894	7,148	8,174	7,148	7,648
4	Segment Liabilities						
	Machining solutions	714	595	385	714	385	567
	Hard metal and hard metal products	1,056	1,137	904	1,056	904	1,257
	Other unallocable liabilities	80	143	110	80	110	90
	Total liabilities	1,850	1,875	1,399	1,850	1,399	1,914



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Statement of Standalone Unaudited Assets and Liabilities as at December 31, 2021

(All amounts in ₹ millions, except per share data)

Particulars	As at December 31, 2021 (Unaudited)	As at June 30, 2021 (Audited)
I. ASSETS		
1. Non-current assets		
(a) Property, plant and equipment	2,163	2,245
(b) Capital work-in-progress	489	518
(c) Investment property [Dec 31, 2021: ₹ 67,049 (June 30, 2021: ₹ 67,049)]	0	0
(d) Intangible assets	4	5
(e) Investment in subsidiary	20	20
(f) Financial assets		
(i) Other financial assets	18	20
(g) Deferred tax assets (net)	5	-
(h) Income tax assets (net)	449	409
(i) Other non-current assets	33	32
Total non-current assets	3,181	3,249
2. Current assets		
(a) Inventories	2,426	2,051
(b) Financial assets		
(i) Trade receivables	1,303	1,131
(ii) Cash and cash equivalents	1,132	1,145
(iii) Bank balances other than cash and cash equivalents	2	1
(iv) Loans	3	3
(v) Other financial assets	51	34
(c) Other current assets	76	34
Total current assets	4,993	4,399
TOTAL ASSETS	8,174	7,648
II. EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	220	220
(b) Other equity	6,104	5,514
Total equity	6,324	5,734
2. Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities (Dec 31, 2021: ₹ 325,000)	0	1
(b) Provisions	31	34
(c) Deferred tax liabilities(net)	-	2
Total non-current liabilities	31	37
Current Liabilities		
(a) Financial liabilities		
(i) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	31	22
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	851	1,001
(ii) Other financial liabilities	347	345
(b) Provisions	197	193
(c) Other current liabilities	393	316
Total current liabilities	1,819	1,877
TOTAL EQUITY AND LIABILITIES	8,174	7,648



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Statement of Standalone Unaudited Cash Flows for the half year ended December 31, 2021

(All amounts in ₹ millions, except per share data)

Particulars	Half year ended December 31, 2021 (Unaudited)	Year ended June 30, 2021 (Audited)
Cash flow from operating activities		
Profit before taxation and exceptional items	782	904
Adjustments for:		
Depreciation and amortisation expense	181	378
Dividend income	(9)	(12)
Provision for doubtful debts and deposits written back	(18)	-
Provision for product support	18	31
Provision made for doubtful debts and deposits	3	-
Loss on sale of property, plant and equipment (net)	(1)	(2)
Interest expense	-	3
Interest income	(4)	(7)
Income tax refund received	-	(1)
Unrealised foreign exchange loss (net) (June 30, 2021: ₹ 28,333)	1	0
Employee share based expense	14	22
Operating profit before working capital changes	967	1,316
Adjustment for working capital changes:		
(Increase) in inventories	(375)	(72)
(Increase) in trade and other receivables	(200)	(158)
(Increase) / decrease in financial assets	(10)	15
(Decrease) / increase in trade payables, provisions and other liabilities	(76)	626
Cash generated from operations	306	1,727
Taxes paid (net of refunds)	(242)	(180)
Net cash generated from operations (1)	64	1,547
Cash flow from investing activities		
Purchase of property, plant and equipment	(88)	(264)
Interest received on loan to subsidiary	-	5
Sale proceeds of property, plant and equipment	1	3
Dividend received on investments	9	12
Interest received (Dec 31, 2021: ₹ 238,894)	0	1
Net cash used in investing activities (2)	(78)	(243)
Cash flow from financing activities		
Repayment of loan to fellow subsidiary	-	(130)
Interest paid	-	(3)
Dividends paid	-	(440)
Unclaimed dividend paid (June 30, 2021: ₹ 135,402)	1	(0)
Net Cash (used in)/ generated from financing activities (3)	1	(573)
Net increase/(decrease) in cash and cash equivalents (1+2+3)	(13)	731
Add: Cash and cash equivalents at the beginning of the year	1,145	414
Cash and cash equivalents at the end of the year	1,132	1,145
Cash and cash equivalent as per above comprises of the following		
Cash and cash equivalent	1,132	1,145
Balance as per statement of Cash Flows	1,132	1,145



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Notes to the Standalone Unaudited Financial Results for the quarter and half year ended December 31, 2021

- In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of standalone unaudited financial results ("financial results") for the quarter and half year ended December 31, 2021 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 3, 2022. The aforesaid financial results for the quarter and half year ended December 31, 2021 have been reviewed by the statutory auditors of the Company.
- The unaudited financial results have been prepared in accordance with the recognition and measurements principles of applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and relevant SEBI circulars.

- Exceptional items debited to the statement of financial results comprises of :

(All amounts in ₹ millions, except per share data)

Particulars	Quarter ended			Half year ended		Year ended	
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	June 30, 2022	June 30, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
The Company also has a severance / separation scheme for certain employees and the aggregate compensation paid in accordance with the said scheme has been fully charged to the statement of profit and loss.	-	-	-	-	10	-	10

- The above financial results of the Company are available on the Company's website and also on the website of BSE (www.bseindia.com) where the shares of the Company are listed.
- The Covid 19 pandemic is unprecedented and measures to control it has caused significant disturbances and slowdown of economic activity. The Company operations & financial results for the previous year have been partially impacted due to localized lockdowns / micro containment zones, supply chain constraints, shortage of workforce and various safety measures have been taken across all areas of operations. The Company's performance for the current quarter and half year has shown improvement in comparison with the previous year on account of revival in economy from Covid impact. The Company has relied on the available information and assumptions, as at the date of approval of these financial results, to arrive at its estimates. The Company continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.
- The Board of Directors at its meeting held on December 4, 2020 had approved a Scheme of Amalgamation ('Scheme') for the merger of its wholly owned subsidiary, WIDIA India Tooling Private Limited ('WITPL') with its Holding Company, Kennametal India Limited ('KIL' or 'Company'). Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has furnished the Scheme details to the Bombay Stock Exchange. The appointed date of the Scheme was 1st April 2021. Further, the Company has received approval for the said Scheme from the shareholders and Unsecured creditors of the Company at its meeting held on April 12, 2021 convened by Hon'ble NCLT, Bengaluru bench and the petition to that effect was filed with NCLT on April 29, 2021. The hearing date for the same was fixed on November 13, 2021 and December 8, 2021 by the Hon'ble NCLT Bengaluru bench and however, the matter was not heard on these dates. Further hearing date is being awaited for the next course of action.
- Previous period figures have been regrouped and rearranged to make them comparable with the current period figures.

For and on behalf of the Board of Directors of Kennametal India Limited

Vijaykrishnan Venkatesan Digitally signed by
Vijaykrishnan Venkatesan
Date: 2022.02.03 19:15:30
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Bengaluru
February 3, 2022

Venkatesan Vijaykrishnan
Managing Director

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Kennametal India Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Kennametal India Limited ('the Holding Company') and Widia India Tooling Private Limited ("the subsidiary") (the Holding Company and its subsidiary together referred to as 'the Group') for the quarter ended 31 December 2021 and the consolidated year to date results for the period 01 July 2021 to 31 December 2021, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting

Walker Chandniok & Co LLP

principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandniok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Vijay Vikram Singh
Digitally signed by Vijay Vikram Singh
Date: 2022.02.03
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Vijay Vikram Singh

Partner

Membership No. 059139

UDIN: 22059139AAHIID8070

Bengaluru

03 February 2022



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Statement of Consolidated Unaudited Financial Results for the quarter and half year ended December 31, 2021

(All amounts in ₹ millions, except per share data)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	June 30, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	INCOME						
	Revenue from operations	2,390	2,375	2,168	4,765	4,139	8,537
	Other income	35	18	10	53	24	69
	Total income	2,425	2,393	2,178	4,818	4,163	8,606
II	EXPENSES						
	Cost of materials consumed	705	668	525	1,373	1,023	2,196
	Purchase of stock-in-trade	601	619	563	1,220	1,013	2,327
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(114)	(107)	110	(221)	256	37
	Employee benefits expense	349	339	301	688	594	1,267
	Finance costs	-	-	1	-	3	3
	Depreciation and amortisation expense	89	92	95	181	191	379
	Other expenses	389	404	357	793	667	1,402
	Total expenses	2,019	2,015	1,952	4,034	3,747	7,611
III	Profit before exceptional items and tax (I-II)	406	378	226	784	416	995
IV	Exceptional items (refer note 4)	-	-	-	-	(10)	(10)
V	Profit before tax (III-IV)	406	378	226	784	406	985
VI	Tax expense/(credit)						
	Current tax	104	98	57	202	102	253
	Deferred tax (credit)/charge	(4)	(3)	4	(7)	7	(1)
	Total tax expense	100	95	61	195	109	252
VII	Net profit for the period/year (V-VI)	306	283	165	589	297	733
VIII	Other comprehensive income, net of income tax						
	(i) Items that will not be reclassified to profit or loss	-	-	7	-	7	2
	Income tax relating to items that will not be reclassified to profit or loss	-	-	(2)	-	(2)	(1)
	Total other comprehensive income, net of income tax	-	-	5	-	5	1
IX	Total comprehensive income for the period/year (VII+VIII)	306	283	170	589	302	734
	Profit attributable to:						
	Owners	306	283	165	589	297	733
	Non-controlling interests	-	-	-	-	-	-
		306	283	165	589	297	733
	Other comprehensive income attributable to:						
	Owners	-	-	5	-	5	1
	Non-controlling interests	-	-	-	-	-	-
		-	-	5	-	5	1
	Total comprehensive income attributable to:						
	Owners	306	283	170	589	302	734
	Non-controlling interests	-	-	-	-	-	-
		306	283	170	589	302	734
X	Paid-up of equity share capital	220	220	220	220	220	220
	(21,978,240 shares of face value of ₹ 10 per share)						
XI	Other equity	-	-	-	-	-	5,637
XII	Earnings per share						
	[Face Value of ₹ 10 per share (not annualised)]						
	- Basic (₹)	13.92	12.88	7.51	26.80	13.50	33.35
	- Diluted (₹)	13.92	12.88	7.51	26.80	13.50	33.35



Kennametal India Limited

CIN: L27109KA1964PLC001546

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Reporting of consolidated segment wise revenue, results, segment assets and liabilities for the quarter and half year ended December 31, 2021

(All amounts in ₹ millions, except per share data)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	June 30, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	Revenue from operations						
	Machining solutions	347	297	261	644	533	1,104
	Hard metal and hard metal products	2,043	2,078	1,907	4,121	3,606	7,433
	Revenue from operations	2,390	2,375	2,168	4,765	4,139	8,537
2	Segment Results						
	Machining Solutions	53	34	7	87	19	70
	Hard metal and hard metal products	413	411	283	824	531	1,175
	Total	466	445	290	911	550	1,245
	Add / (Less) :						
	Other unallocable income	13	13	6	26	11	34
	Other unallocable expenditure	(73)	(80)	(70)	(153)	(145)	(284)
	Exceptional items	-	-	-	-	(10)	(10)
	Total profit before tax	406	378	226	784	406	985
3	Segment Assets						
	Machining solutions	963	785	638	963	638	697
	Hard metal and hard metal products	5,510	5,555	5,279	5,510	5,279	5,406
	Other unallocable assets	1,829	1,681	1,433	1,829	1,433	1,670
	Total assets	8,302	8,021	7,350	8,302	7,350	7,773
4	Segment Liabilities						
	Machining solutions	714	595	388	714	388	568
	Hard metal and hard metal products	1,056	1,137	983	1,056	983	1,257
	Other unallocable liabilities	81	144	116	81	116	91
	Total liabilities	1,851	1,876	1,487	1,851	1,487	1,916



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Statement of Consolidated Unaudited Assets and Liabilities as at December 31, 2021

(All amounts in ₹ millions, except per share data)

Particulars	As at December 31, 2021 (Unaudited)	As at June 30, 2021 (Audited)
I. ASSETS		
1. Non-current assets		
(a) Property, plant and equipment	2,163	2,245
(b) Capital work-in-progress	489	518
(c) Investment property [Dec 31, 2021: ₹ 67,049 (June 30, 2021: ₹ 67,049)]	0	0
(d) Intangible assets	4	5
(e) Financial assets		
(i) Other financial assets	18	20
(f) Deferred tax assets (net)	5	-
(g) Income tax assets (net)	451	411
(h) Other non-current assets	33	32
Total non-current assets	3,163	3,231
2. Current assets		
(a) Inventories	2,426	2,051
(b) Financial assets		
(i) Trade receivables	1,303	1,131
(ii) Cash and cash equivalents	1,275	1,288
(iii) Bank balances other than cash and cash equivalents	2	1
(iv) Loans	3	3
(v) Other financial assets	53	35
(c) Other current assets	77	33
Total current assets	5,139	4,542
TOTAL ASSETS	8,302	7,773
II. EQUITY AND LIABILITIES		
1. Equity		
(a) Equity share capital	220	220
(b) Other equity	6,231	5,637
Equity attributable to Owners	6,451	5,857
Non-controlling interests	-	-
Total Equity	6,451	5,857
2. Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities (Dec 31, 2021: ₹ 325,000)	0	1
(b) Provisions	31	34
(c) Deferred tax liabilities(net)	-	2
Total non-current liabilities	31	37
Current Liabilities		
(a) Financial liabilities		
(i) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	31	22
Total outstanding dues of creditors other than micro enterprises and small enterprises	852	1,003
(ii) Other financial liabilities	347	345
(b) Provisions	197	193
(c) Other current liabilities	393	316
Total current liabilities	1,820	1,879
TOTAL EQUITY AND LIABILITIES	8,302	7,773



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Statement of Consolidated Unaudited Cash Flow for the half year ended December 31, 2021

(All amounts in ₹ millions, except per share data)

Particulars	Half year ended December 31, 2021 (Unaudited)	Year ended June 30, 2021 (Audited)
Cash flow from operating activities		
Profit before taxation and exceptional items	784	995
Adjustments for:		
Depreciation and amortisation expense	181	379
Dividend Income	(9)	(12)
Provision no longer required written back	(18)	(14)
Provision for product support	18	32
Provision made for doubtful debts and deposits	3	-
Loss on sale of property, plant and equipments (net)	(1)	(2)
Interest Expense	-	3
Interest income	(6)	(3)
Unrealised foreign exchange loss / (gain) (net)	1	(1)
Employee share based expense	14	24
Operating profit before working capital changes	967	1,401
Adjustment for working capital changes:		
(Increase) / decrease in inventories	(375)	11
(Increase) in trade and other receivables	(201)	(140)
(Increase) / decrease in financial assets	(10)	14
(Decrease) / increase in trade payables, provisions and other liabilities	(76)	572
Cash generated from operations	305	1,858
Taxes paid (net of refunds)	(242)	(198)
Net cash generated from operations (1)	63	1,660
Cash flow from investing activities		
Purchase of property, plant and equipment	(88)	(263)
Dividend received on mutual funds	9	12
Sale proceeds of property, plant and equipment	1	4
Interest received	1	2
Net Cash used in investing activities (2)	(77)	(245)
Cash flow from financing activities		
Repayment of loan to fellow subsidiary	-	(130)
Interest paid	-	(3)
Dividends paid	-	(440)
Unclaimed dividend paid (June 30, 2021: ₹ 135,402)	1	(0)
Net Cash (used in)/ generated from financing activities (3)	1	(573)
Net increase/(decrease) in cash and cash equivalents (1+2+3)	(13)	842
Add: Cash and cash equivalents at the beginning of the year	1,288	446
Cash and cash equivalents at the end of the year	1,275	1,288
Cash and cash equivalent as per above comprises of the following		
Cash and cash equivalent	1,275	1,288
Balance as per statement of Cash Flows	1,275	1,288



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Notes to the Consolidated Unaudited Financial Results for the quarter and half year ended December 31, 2021

1 In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of consolidated unaudited financial results ("financial results") for the quarter and half year ended December 31, 2021 of the Group have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 3, 2022. The aforesaid financial results for the quarter and half year ended December 31, 2021 have been reviewed by the statutory auditors of the Company.

2 The unaudited financial results of Kennametal India Limited (the 'Company') and its subsidiary (together referred as 'Group') have been prepared in accordance with the recognition and measurements principles of applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and relevant SEBI circulars.

3 The summarised standalone financial performance of the parent company is as under:

(All amounts in ₹ millions, except per share data)

Particulars	Quarter ended			Half year ended		
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	June 30, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total revenue (including other income)	2,424	2,392	1,960	4,816	3,771	8,199
Profit before tax	404	378	179	782	329	894
Profit after tax	304	283	130	587	239	666
Total comprehensive income for the period/year ended	304	283	134	587	243	667

4 Exceptional items debited to the statement of financial results comprises of :

(All amounts in ₹ millions unless otherwise stated)

Particulars	Quarter ended			Half year ended		Year ended
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	June 30, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
The Group also has a severance / separation scheme for certain employees and the aggregate compensation paid in accordance with the said scheme has been fully charged to the statement of profit and loss.	-	-	-	-	10	10

5 The above financial results of the Group are available on the Company's website and also on the website of BSE (www.bseindia.com) where the shares of the Company are listed.

6 The Covid 19 pandemic is unprecedented and measures to control it has caused significant disturbances and slowdown of economic activity. The Company operations & financial results for the previous year have been partially impacted due to localized lockdowns / micro containment zones, supply chain constraints, shortage of workforce and various safety measures have been taken across all areas of operations. The Company's performance for the current quarter and half year has shown improvement in comparison with the previous year on account of revival in economy from Covid impact. The Company has relied on the available information and assumptions, as at the date of approval of these financial results, to arrive at its estimates. The Company continues to monitor the economic effects of the pandemic while taking steps to improve its execution efficiencies and the financial outcome.

7 The Board of Directors at its meeting held on December 4, 2020 had approved a Scheme of Amalgamation ('Scheme') for the merger of its wholly owned subsidiary, WIDIA India Tooling Private Limited ('WITPL') with its Holding Company, Kennametal India Limited ('KIL' or 'Company'). Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has furnished the Scheme details to the Bombay Stock Exchange. The appointed date of the Scheme was 1st April 2021. Further, the Company has received approval for the said Scheme from the shareholders and Unsecured creditors of the Company at its meeting held on April 12, 2021 convened by Hon'ble NCLT, Bengaluru bench and the petition to that effect was filed with NCLT on April 29, 2021. The hearing date for the same was fixed on November 13, 2021 and December 8, 2021 by the Hon'ble NCLT Bengaluru bench and however, the matter was not heard on these dates. Further hearing date is being awaited for the next course of action.

8 Previous period figures have been regrouped and rearranged to make them comparable with the current period figures.

For and on behalf of the Board of Directors of Kennametal India Limited

Vijaykrishnan
Venkatesan

Venkatesan Vijaykrishnan
Managing Director

Digitally signed by Vijaykrishnan
Venkatesan
Date: 2022.02.03 19:16:57
+05'30'

Bengaluru
February 3, 2022

FOR IMMEDIATE RELEASE**DATE: February 3, 2022**CONTACT: Swastika.Mukherjee@kennametal.com**Kennametal India EBT up 79.65% for quarter ending December 31, 2021**

Kennametal India Limited (KIL) reported continued growth for the second consecutive quarter of FY22 (ending December 31, 2021), notwithstanding the industry challenges arising from cautious market sentiment in anticipation of the third wave of COVID, as well as other prevailing disruptions. On a consolidated basis, sales grew to ₹ **2,390 Mn**, **10.24%** higher as compared to the same quarter last fiscal. EBT (before exceptional items) was ₹ **406 Mn**, **up 79.65%** over the same quarter, last fiscal. The company delivered strong performance in both the Hard Metals and Machine Tools segments with a broad-based growth across the key sectors of transportation, earthworks, energy, aerospace, and general engineering.

Commenting on the results, Vijaykrishnan Venkatesan, Managing Director, KIL said, “During this quarter, we continued to execute our strategic imperatives aimed at mitigating the volatility from continued global supply chain constraints. Our ability to manage the impact of commodity price increases, continued cost management and a focus on manufacturing excellence to deliver on customer commitments, has helped us perform on critical financial parameters.”

About Kennametal

Kennametal India Limited is a subsidiary of Kennametal Inc., USA. With over 80 years as an industrial technology leader, Kennametal Inc. delivers productivity to customers through materials science, tooling, and wear-resistant solutions. Customers across aerospace, earthworks, energy, general engineering, and transportation turn to Kennametal to help them manufacture with precision and efficiency. Every day approximately 8,600 employees are helping customers in more than 60 countries stay competitive. Kennametal generated approximately \$1.8 billion in revenues in fiscal 2021. Learn more at www.kennametal.com. Follow @Kennametal: Twitter, Instagram, Facebook, LinkedIn, and YouTube.



KENNAMETAL INDIA LIMITED

**POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS
AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

Amended and effective February 3, 2022

1. Preamble

Kennametal India Limited (the “**Company**” or “**KIL**”) recognizes that Related Party Transactions (as defined below) can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company’s and its stockholders’ best interests. Therefore, this policy on Materiality of Related Party Transaction and on dealing with Related Party Transactions (“**Policy**”) has been adopted by the Company’s Board of Directors in order to set forth the procedures under which certain transactions must be reviewed and approved or ratified.

This Policy has been amended by the Board at its meeting held on February 3, 2022 in compliance with SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 dated November 9, 2021.

The Audit Committee and Board of Directors of the Company will review this policy at least once every three years and amend the same accordingly.

This Policy will be applicable to the Company to regulate transactions among the Company and its Related Parties based on the applicable laws and regulations.

2. Purpose

This Policy is framed as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (the “SEBI Listing Regulations”) and intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its Shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

3. Definitions

3.1 “Arm’s Length Transaction” means a transaction between two related parties which is conducted as if they were unrelated, so that there is no question of conflict of interest.

3.2 “Associate Company” in relation to another Company, means a Company in which that other Company has a significant influence, but which is not a Subsidiary Company of the Company having such influence and includes a Joint Venture Company as per sub-section (6) of Section 2 of the Companies Act, 2013.

For the purpose of this clause, “Significant Influence” means control of at least 20% (twenty percent) of total voting power, or control of or participation in business decisions under an agreement.

“Joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement;

3.3 “Audit Committee or Committee” means Committee of Board of Directors of the Company constituted under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) and the Companies Act, 2013.

3.4 “Board” means Board of Directors of the Company.

3.5 “Control” shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

3.6 “Holding Company” in relation to one or more Companies means a Company of which such Companies are Subsidiary Companies as per sub-section (46) of Section 2 of the Companies Act, 2013.

3.7 “Key Managerial Personnel” means key managerial personnel as defined under the Companies Act, 2013 and includes:

- Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole - time Director;
- Company Secretary and
- Chief Financial Officer

3.8 “Material Modification” means modification to an existing related party transaction having variance of 20% of the existing limit as sanctioned by the Audit Committee / Board / Shareholders, as the case may be.

3.9 “Material Related Party Transaction” shall have the same meaning as defined in Regulation 23 of the SEBI Listing Regulations from time to time which as per the extant Regulation means the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees One Thousand Crore or Ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.”

Notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

3.10 “Ordinary course of business” shall mean and include-

- Transactions that are entered in the normal and usual course of business and are identical to the business of the company.
- Transactions that is reasonable in the context of the business of the company.
- Transactions that are part of the standard industry practice.
- Meets any other parameters /criteria as decided by the Board/Audit Committee.

3.11 “Policy” means policy on Materiality of Related Party Transaction and on dealing with Related Party Transactions.

3.12 “Related Party” shall have the same meaning as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations from time to time:

As per extant Regulation, any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party.

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s).

As per section 2(76) of the Companies Act, 2013 Related Party with reference to a company, means:

- i. a director or his relative;
- ii. a key managerial personnel or his relative;
- iii. a firm, in which a director, manager or his relative is a partner;
- iv. a private company in which a director or manager 1[or his relative] is a member or director;
- v. a public company in which a director or manager 2[and holds] is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
- vi. any body Corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- vii. any person on whose advice, directions or instructions a director or manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

viii. any company which is—

- (A) a holding, subsidiary or an associate company of such company; or
- (B) a subsidiary of a holding company to which it is also a subsidiary;
- (C) an investing company or the venturer of the company;"

Explanation.—For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

ix. such other person as may be prescribed;

3.13“Related Party Transaction shall have the meaning as defined under Regulation 2(1)(zc) of the SEBI Listing Regulations or as envisaged in Section 188(1) of the Companies Act, 2013 from time to time.

As per extant Regulation Related Party Transaction means a transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s).

As per section 188 of the Companies Act, 2013 related party transaction with reference to a company, means:

- a. sale, purchase or supply of any goods or materials;
- b. selling or otherwise disposing of, or buying, property of any kind;
- c. leasing of property of any kind;
- d. availing or rendering of any services;
- e. appointment of any agent for purchase or sale of goods, materials, services or property;
- f. such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- g. underwriting the subscription of any securities or derivatives thereof, of the company:

3.14 "Relative" in relation to a Related Party shall have the same meaning assigned to in Section 2(77) of the Companies Act, 2013 from time to time. As per extant provisions of the Companies Act, 2013. Relative includes:

- i. they are members of a Hindu Undivided Family;
- ii. they are husband and wife; or
- iii. one person is related to the other as below:
 - Father: Provided that the term "Father" includes step-father.
 - Mother: Provided that the term "Mother" includes the step-mother.
 - Son: Provided that the term "Son" includes the step-son.
 - Son's wife.
 - Daughter.
 - Daughter's husband.
 - Brother: Provided that the term "Brother" includes the step-brother;
 - Sister: Provided that the term "Sister" includes the step-sister.

3.15 "Transaction" shall be construed to include single transaction or a group of transactions in a contract.

3.16 Any other terms not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law or Regulation as amended from time to time.

4. Materiality Thresholds:

Regulation 23 of the SEBI Listing Regulations requires the Company to provide materiality thresholds for transactions beyond which the Shareholders' approval will be required by way of a resolution.

The Company has fixed its materiality threshold to the transaction(s) which when entered into individually or taken together with previous transactions during a financial year, exceeds Rupees One Thousand Crore or 10 (ten) per cent of the annual consolidated turnover as per the last audited financial statements, whichever is lower.

5. Policy

All Related Party Transactions and subsequent material modification must be reported to the Audit Committee and referred for prior approval by the Committee in accordance with this Policy and as per the provisions of the SEBI Listing Regulations.

5.1 Identification of Related Party

Each Director and Key Managerial Personal is responsible for providing notice to the Board or Audit Committee regarding persons and entities to be considered as “Related Party” by virtue of his/her being Director/KMP in the entity or holding certain shareholding percentage. Such notice shall be provided to the company at the time of appointment and also at the time of first board meeting in every financial year and whenever there is any change in the disclosures already made.

5.2 Identification of Related Party Transactions

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Companies Act, 2013 and as per the SEBI Listing Regulations. The Company has also formulated guidelines for determining whether the transaction is in the Ordinary Course of Business and at arm’s length basis and for this purpose, the Company may seek external professional opinion, if required.

5.3 Prohibitions related to Related Party Transactions

All Related Party Transactions and subsequent material modification(s), if any, shall require prior approval of Audit Committee and shall be approved by only those members of the Audit Committee, who are Independent Directors.

Further, all Material Related Party Transactions and subsequent material modification shall require prior approval of the Shareholders and no Related Party shall vote to approve such resolutions whether the entity is a Related Party to the particular transaction or not.

6. Review and Approval of Related Party Transactions

All related party transactions and subsequent material modifications must be reported to the Audit Committee for its prior approval in accordance with this Policy. The Committee shall review the transaction and report the same for approval of the Board and shareholders, if required, in accordance with this Policy.

6.1 Approval of Audit Committee

- ❖ All Related Party Transactions and subsequent material modifications shall require prior approval of the Audit Committee under this Policy. Any member of the committee who has potential interest in any related party transaction will abstain from discussion and voting on the approval of the related party transaction.
- ❖ Audit Committee shall have all rights to call for information/documents in order to understand the scope of the proposed related party transactions.

- ❖ The Audit Committee may grant omnibus approval for the proposed Related Party Transaction subject to the following conditions:
 - a) The Audit Committee shall lay down the criteria for granting omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;
 - b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
 - c) Such omnibus approval shall specify the following: (i) Name(s) of the Related Party (ii) Nature of the transaction (iii) Period of transaction (iv) Maximum amount of transaction that can be entered into (v) The indicative base price/current contracted price and the formula for variation in the price, if any, and (vi) Such other conditions as the Audit Committee may deem fit.
 - d) In such cases where the need for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 (one) crore per transaction;
 - e) The Audit committee shall review, at least on a quarterly basis, the details of Related party transactions entered into by the Company pursuant to each of the omnibus approval given;
 - f) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

6.2 Approval of Board of Directors

- ❖ If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such matter or it is mandatory under any law for the Board to approve a Related Party Transaction, then the Board shall consider and approve the Related Party Transaction at a meeting and the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.
- ❖ All the related party transactions prescribed under Section 188 of the Companies Act, 2013, which are not in the ordinary course of business or not at Arm's Length Basis and all Material Related Party Transactions shall be brought before the Board and the Board shall consider and approve the related party transaction at a meeting.
- ❖ Any member of the Board who is interested or has potential interest (as mentioned under Section 184(2) of the Companies Act, 2013), in any related party transaction shall not be present at the meeting during discussions on the subject matter of the resolution relating to such related party transaction.

- ❖ If a Related Party Transaction will be ongoing, the Board of Directors may, in its discretion, establish guidelines for KIL's management to follow in its ongoing dealings with the Related Party. Thereafter, the Board of Directors shall periodically review and assess ongoing relationships with the Related Party to see that they are in compliance with the Board of Directors' guidelines.
- ❖ Where any director is interested in any contract or arrangement with a related party, such director shall abstain from the discussions on the subject matter of the resolution relating to such contract or arrangement

6.3 Approval of Shareholders

- ❖ All the Material Related Party Transactions and subsequent material modification shall require prior approval of the Shareholders and no Related Party shall vote to approve such resolutions whether the entity is a Related Party to the particular transaction or not.
- ❖ All the Transactions, other than the Material Related Party Transaction, with the related parties which are not in the Ordinary Course of Business and at Arms' Length shall, subject to the limits mentioned in Rule 15(3) of the Companies (Meeting of Board and its Power) Rules, 2014, also require the approval of the Shareholders and no Related Party shall vote to approve such resolutions whether the entity is a Related Party to the particular transaction or not.
- ❖ A related party transaction to which the subsidiary of the Company is a party but the Company itself is not a party to the transaction and if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% (ten per cent) of the annual consolidated turnover then the prior approval of the shareholders of the Company will be obtained.
- ❖ Further, prior approval of the shareholders of a listed entity shall not be required for a related party transaction to which the listed subsidiary is a party, but the listed entity is not a party, if Regulation 23 and Regulation 15(2) of LODR are applicable to such listed subsidiary.
Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.
- ❖ In addition to the above, all kinds of transactions specified under Section 188 of the Companies Act, 2013 as mentioned below shall require approval of Shareholders if the transaction:
 - a. are not in the ordinary course of business or not at arm's length basis; and
 - b. exceeds the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014 (as amended from time to time).
- ❖ The approval of Audit Committee, Board of Directors and Shareholders of the Company for following related party transactions shall not be required:

- a. for transactions entered into between the holding company and its wholly owned subsidiaries.
- b. transactions entered into between two wholly-owned subsidiaries of the listed holding company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.
- c. No related party shall vote to approve the resolution whether the entity is a related party to the particular transaction or not.

7. Related Party Transactions not approved under this Policy

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

8. Disclosure

The related party transaction entered into with the related party/ies shall be disclosed in the Board's Report / Annual Report / Stock Exchange as per the disclosure requirement of the Companies Act, 2013 and the SEBI Listing Regulations (as amended from time to time). The Company shall disclose this Policy on its website and a weblink thereto shall be provided in the Annual Report. The Company shall submit its standalone and consolidated financial results on an half yearly basis, within stipulated timeframe as may be prescribed from time to time, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

9. Amendments to the Policy:

- 9.1 The Board of Directors on its own and / or as per the recommendations of Audit Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision /amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.
- 9.2 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.



KENNAMETAL INDIA LIMITED

***POLICY FOR DETERMINATION OF MATERIALITY FOR DISCLOSURE OF
EVENTS OR INFORMATION***

Amended and effective February 3, 2022

1. Objective

In terms of regulation 30(4)(ii) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (The “**Regulations**”), the Board of Directors (the “**Board**”) of Kennametal India Limited (the “**Company**”) had approved this Policy for Determination of Materiality for disclosure of events or information (“**Policy**”) on November 9, 2015 and further amended this Policy at its meeting held on February 3, 2022, for determination of materiality for disclosure of events or information (“**Material Information**”) so that such information can be promptly disclosed to the Stock Exchange, as per the Regulations or its amendments.

2. Authorised Officials

The majority of the Key Managerial Personnel shall be the Authorised Officials to determine the materiality of events or information.

The Company Secretary is authorized to make intimation/s to the Stock Exchange in compliance with the Regulations and the Circular/Notification issued in connection thereto. In the absence of the Company Secretary, for any reasons, the Chief Financial Officer shall be the responsible person to disseminate intimation/s to stock exchange. In the absence of both Company Secretary and Chief Financial Officer, for any reasons, the Managing Director shall be the responsible person authorised to disseminate information to Stock Exchange.

3. Material Events

I. All information / events as specified in Para A of Part A of Schedule III of the Regulations as may be amended from time to time (attached as Annexure 1 to this Policy) are deemed to be material events and shall be disclosed as prescribed under the Regulations on occurrence of such events.

II. The information / events specified in Para B of Part A of Schedule III of the Regulations as may be amended from time to time (attached as Annexure 1 to this Policy) will be disclosed based on application of guidelines for Materiality under the Regulations.

III. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, 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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

IV. Any event or information as may be specified from Securities and Exchange Board of India (“SEBI”) from time to time.

Provided that any confidential information which if disclosed, is likely to put at risk the business interest of the Company shall not be disclosed. The Company to that extent shall make qualified disclosure to the stock exchange.

4. Guidelines for assessing Materiality

In order to determine whether a particular event / information is material in nature, the following 'quantitative' or 'qualitative' criteria(s) shall be applied:

- i. Quantitative Criteria:** Where the value involved in an event or the impact of an event exceeds 5% of the gross turnover as per audited financial statements of the immediate previous financial year of the Company.

- ii. Qualitative Criteria:** In absence of quantitative criteria, event shall be considered material by the Authorised Officials by applying following guideline 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;
 - (c) In case where the criteria specified in sub-clauses (a) and (b) 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.

5. Notification

The Authorised Officials shall first disclose to stock exchange about events specified above, or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information:

Provided that in case the disclosure is made after twenty four hours of occurrence of the event or information, the listed entity shall, along with such disclosures provide explanation for delay:

Provided further that disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III of the Regulations shall be made within the timelines specified therein.

The Authorised Officials shall, with respect to disclosures referred to in this Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

All disclosures made under this policy shall be hosted on the Company's website for a minimum period of five years from the date of disclosure.

6. Website

As per the provision of the Regulations, this Policy shall be disclosed on the website of the Company.

7. Conflict

In any circumstance where the terms of this policy differ from any existing or newly enacted law, Regulations, Notifications or circular issued by Securities and Exchange Board of India (SEBI) time to time, the law, Regulations, Notification or circular will take precedence over this policy.

8. Review

This policy will be reviewed on a periodical basis as mandated by applicable law for the time being in force and/ or whenever need arises.

Annexure I

The following shall be events/information, upon occurrence of which listed entity shall make disclosure to stock exchange(s):

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

1. 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 listed entity or any other restructuring.

Explanation - For the purpose of this sub-para, the word 'acquisition' shall mean –

- i. acquiring control, whether directly or indirectly; or,
 - ii. acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - a. the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - b. there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
2. 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.
 3. Revision in Rating(s).
 4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - a. 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;
 - b. any cancellation of dividend with reasons thereof;
 - c. the decision on buyback of securities;
 - d. the decision with respect to fund raising proposed to be undertaken
 - e. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - f. 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;
 - g. short particulars of any other alterations of capital, including calls;
 - h. financial results;
 - i. decision on voluntary delisting by the listed entity from stock exchange(s):

Provided that in case of board meetings being held for more than one day the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), 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.
6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

7A. In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor.

7B. Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

- i. The letter of resignation along with detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
 - i(a). Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
 - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) and (ii) above.
8. Appointment or discontinuation of share transfer agent.
 9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
 - (i) Decision to initiate resolution of loans/borrowings;
 - (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
 - (iii) Finalization of Resolution Plan;
 - (iv) Implementation of Resolution Plan;
 - (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.

10. One time settlement with a bank.
11. Reference to BIFR and winding-up petition filed by any party / creditors.
12. 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 listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. (a) Schedule of analysts or institutional investors meet and presentations made by the listed entity to analysts or institutional investors.

Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

- (i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
- (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls:

The requirement for disclosure(s) of audio/video recordings and transcript shall be voluntary with effect from April 01, 2021 and mandatory with effect from April 01, 2022.

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - d. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;
 - e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;

- f. Appointment/ Replacement of the Resolution Professional;
 - g. Prior or post-facto intimation of the meetings of Committee of Creditors;
 - h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
 - i. Number of resolution plans received by Resolution Professional;
 - j. Filing of resolution plan with the Tribunal;
 - k. Approval of resolution plan by the Tribunal or rejection, if applicable;
 - l. Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - (i) Pre and Post net-worth of the company;
 - (ii) Details of assets of the company post CIRP;
 - (iii) Details of securities continuing to be imposed on the companies' assets;
 - (iv) Other material liabilities imposed on the company;
 - (v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - (vi) Details of funds infused in the company, creditors paid-off;
 - (vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - (viii) Impact on the investor – revised P/E, RONW ratios etc.;
 - (ix) Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
 - (x) Brief description of business strategy.
 - m. Any other material information not involving commercial secrets.
 - n. Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
 - o. Quarterly disclosure of the status of achieving the MPS;
 - p. The details as to the delisting plans, if any approved in the resolution plan
17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by listed entities:
- a. The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
 - b. Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of regulation (30):

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
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).
3. Capacity addition or product launch.
4. Awarding, bagging / receiving, amendment or termination of awarded / bagged orders / contracts not in the normal course of business.
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.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.



KENNAMETAL INDIA LIMITED

CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING IN SECURITIES BY DESIGNATED PERSON AND THEIR IMMEDIATE RELATIVES

Amended and effective February 3, 2022

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I. Preface

This Kennametal India Limited ('KIL') code of conduct for regulating, monitoring and reporting of trading in securities by designated person, their immediate relatives (the 'Code') has been adopted by Kennametal India Limited (the 'Company' or 'KIL') pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto. The purpose and intent of the Code is to regulate, monitor and report trading in securities of the Company by its designated person and immediate relatives of the Designated Persons towards achieving compliance of these Regulations, adopting the minimum standards set out in Schedule B of the Regulations, 2015. This code is to ensure the compliance of the regulations by Designated Persons & their Immediate Relatives and to ensure transparency and fairness in all transactions relating to trading of the company's securities.

This Code has come into force effective May 15, 2015 and was applicable to all the Directors / Officers / Employees of the Company and other Connected Persons.

This Code has been amended on April 1, 2019, May 12, 2021 and further amended on **February 3, 2022** and will be applicable to all the Designated Persons and their Immediate Relatives.

This Code is formulated pursuant to Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 [**"SEBI (PIT) Regulations"**]. It will be responsibility of each Designated Person to ensure compliance of SEBI (PIT) Regulations, codes thereon and guidelines as issued time to time.

II. OBJECTIVES OF THE CODE

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 seek to govern the conduct of Designated Persons and their Immediate Relatives on matters relating to Insider Trading. Insider Trading involves trading in the securities of a company listed or proposed to be listed, by any persons in possession of or with access to unpublished price sensitive information not available to the general public, who can take advantage of or benefit from such unpublished price sensitive information. Trading in securities by an 'insider' is regarded unfair when it is predicated upon utilization of 'inside' information to profit at the expense of other investors who do not have access to the same information.

This Code of Conduct has been prepared by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

In order to fully understand the scope of restrictions on insider trading, it is useful to understand the following terms/definitions.

III. Definitions

- a) “Act” means the Securities & Exchange Board of India Act, 1992
- b) “Board” means the Board of Directors of the Company.
- c) “Code” or “Code of Conduct” shall mean KIL Code of Conduct for Regulating, Monitoring and Reporting of trading in securities by designated person, immediate relative of that designated person” as amended from time to time.
- d) “Company” means Kennametal India Limited
- e) “Companies Act”, means the Companies Act, 2013 and amendments thereto.
- f) “Compliance officer” means Company Secretary of the Company or in absence of Company Secretary, any senior officer, designated so and reporting to the Board of Directors or head of the organization (where there is no board), who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the listed company or the head of an organization, as the case may be.

Explanation – For the purpose of this code, “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.”

- g) “Connected Person” means -
 - (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -

- (a) an immediate relative of connected persons specified in clause (i); or
- (b) a holding company or associate company or subsidiary company; or
- (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
- (d) an investment company, trustee company, asset management company or an employee or director thereof; or
- (e) an official of a stock exchange or of clearing house or corporation; or
- (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- (i) a banker of the company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent, of the holding or interest;

NOTE: It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the Company and its Officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.

- h) "Dealing in Securities" means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

- i) Designated Person means and includes:
- a) Members of the Board of Directors of KIL
 - b) Chief Executive Officer (CEO), Company Secretary, Chief Financial Officer (CFO), members of the India Leadership Council (ILC) of the Company (as may be defined by the Company from time to time) and one level below ILC and employees upto two levels below Chief Executive Officer of the Company and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information.
 - c) Employees of the Accounts, Finance, Legal & Secretarial Department on the basis of their functional role or access to unpublished price sensitive information as may be determined and informed by the Compliance Officer.
 - d) CFOs & CEOs and Company Secretary of the Holding Company, Subsidiary Company, Associate Company* and Joint Venture
 - e) Head of Internal Audit Department, Legal Department
 - f) Secretaries/Executive Assistants reporting to the Chairman or the Managing Director/Whole Time Director/CFO/CS
 - g) All Departmental Heads of the Company (For e.g. Finance Head, Purchase Head, Sales Head etc.)
 - h) Employees of other Departments/Divisions on a case-to-case basis, who could be reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, to be decided by the Managing Director / Compliance Officer on a case-to-case basis
 - i) Employees of material subsidiaries of the Company designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their Board of Directors.
 - j) All Promoters of the Company
 - k) Executive Leadership Team at Kennametal Inc., Ultimate Holding Company
 - l) Any support staff of the Company, such as IT staff or secretarial staff Legal Staff, Finance Staff, Human Resource staff, Strategy Staff on the basis of their functional role or access to unpublished price sensitive information as may be determined by the Compliance Officer
 - m) Immediate relative (as defined in SEBI Regulation) of (a) to (l) above;
 - n) Such other persons as may be determined and informed by the Compliance Officer from time to time.

*Associate Company means a Company in which KIL has a significant influence, but which is not a subsidiary company of the KIL having such influence and includes a Joint Venture Company.

Explanation—For the purpose of this clause;

- a) the expression "significant influence" means control of at least twenty percent of total voting power, or control of or participation in business decisions under an agreement;
 - b) the expression "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- i) "Director" means a member of the Board of Directors of the Company.
- j) "Employee" means every employee of the Company including the Directors in the employment of the Company.

- k) "Generally available Information" means information that is accessible to the public on a non-discriminatory basis.
- l) "Immediate relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

Note: If spouse is financially independent and doesn't consult an insider while taking trading decisions, the spouse won't be exempted from the definition of immediate relative. A spouse is presumed to be an "immediate relative", unless rebutted so.

- m) "Insider" means any person who is:
 - i) a connected person; or
 - ii) in possession of or having access to unpublished price sensitive information; and
 - iii) any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

It is clarified that any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for the purpose of this code.

- n) "Key Managerial Person" means person as defined in Section 2(51) of the Companies Act, 2013
- o) "Promoter" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations, 2018 or any modification thereof;
- p) "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
- q) "Takeover regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- r) "Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

- s) "Trading day" means a day on which the recognized stock exchanges are open for trading;
- t) "Unpublished price sensitive information" or "UPSI" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:
 - (i) financial results;
 - (ii) dividends;
 - (iii) change in capital structure;
 - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
 - (v) changes in key managerial personnel; and
 - (vi) material events in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).
- u) "Regulations" shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

IV. Role of Compliance Officer

The Compliance Officer shall report to the Board of Directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as maybe stipulated by the Board of Directors.

The Compliance Officer shall be responsible for:

- a) Setting forth policies in consultation with the Audit Committee
- b) Prescribing procedures for various activities referred to in the code
- c) To administer the code of conduct and other requirements under the Regulations

- d) Monitoring adherence to the Rules for preservation of Unpublished Price Sensitive information
- e) Implementation of the code under the general supervision of the Audit Committee
- f) Review and approve the Trading Plan formulated by the insider and monitor the implementation of the same.
- g) Upon approval of the Trading Plan, notifying the Stock Exchanges on which the securities are listed.
- h) Closing of the trading window when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information.
- i) Grant of pre-dealing approvals to the Designated Persons for dealings in the Company's Securities by them/their dependents and monitoring of such dealings.
- j) Maintaining a record (in electronic form) of the Designated Persons and changes thereto from time-to-time.
- k) Assisting all the Employees in addressing any clarifications regarding the Regulations and this Code.
- l) Placing of status reports before the Audit Committee, detailing dealings in the Securities by the Designated Persons along with the documents that such persons had executed in accordance with the pre-dealing procedure prescribed under the Code on a quarterly basis

The Compliance Officer shall have all the powers as are prescribed by law and also to ensure that this code is put to into practice and to do all things deeds, matters, acts and things necessary to give effect to these regulations in true spirit and all things incidental and ancillary thereto.

V. Restriction on Communication and Trading by Insiders

1. No Designated Person and/or their Immediate Relatives shall communicate, provide or allow access to any unpublished price sensitive information, relating to the Company. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a Company or securities listed or proposed to be listed, except in furtherance of Legitimate Purposes (as defined in the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information), performance of duties or discharge of legal obligations.
2. All information shall be handled within the Company on a need-to-know basis and no Designated Person &/or their Immediate Relatives shall communicate or

provide, or allow access to any unpublished price sensitive information, relating to the Company or securities of the Company, to any person including other insiders except where such communication is in furtherance of the Legitimate Purposes, performance of duties or discharge of his legal obligations.

3. Any inducement and procurement of unpublished price sensitive information not in furtherance of one's legitimate duties and discharge of obligations would be illegal under this code.
4. Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-
 - (i) entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company; or
 - (ii) not attracting the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine.

However, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of aforesaid sub-clause (ii) and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

5. Need to Know:
 - (i) "need to know" basis means that Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
 - (ii) All non-public information directly received by any employee should immediately be reported to the head of the department.
6. Maintenance of confidential information

Physical and manual documents/files containing confidential information should be kept secure. Electronic files containing confidential information must have adequate security of login and password, etc.

VI. Prevention of misuse of “Unpublished Price Sensitive Information”

1. Trading Plan

A Designated Person and/or their Immediate Relatives shall be entitled to formulate a trading plan for dealing in securities of the Company and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

2. Trading Plan shall:

i) not entail commencement of trading on behalf of the Designated Person and/or their Immediate Relative earlier than six months from the public disclosure of the plan;

ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results. Example: For quarter ended June 30 the result announcement date is August 10, then Designated Person and/or their Immediate Relative cannot execute his trading plan between June 10 to August 12.

iii) entail trading for a period of not less than twelve months;

iv) not entail overlap of any period for which another trading plan is already in existence;

v) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and

vi) not entail trading in securities for market abuse.

3. The Compliance Officer shall review the Trading Plan made as above and shall approve it forthwith. However, he shall be entitled to take express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan as per provisions of the Regulations.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

4. The Trading Plan once approved shall be irrevocable and the Designated Person and/or their Immediate Relative shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Designated Person and/or their Immediate Relative is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information. Further, the Designated Person and/or their Immediate Relative shall also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

5. Upon approval of the trading plan, the compliance officer shall notify the plan to Stock Exchange on which the securities are listed.
6. Trading by Portfolio Managers

This Code is also applicable to Designated Person and/or their Immediate Relative who engage Portfolio Managers to trade in shares and hence the Designated Person and/or their Immediate Relative are expected to take due precaution while trading in securities through Portfolio Managers by:

- i) Informing the Portfolio Managers about closure of trading window.
- ii) Ensuring to seek pre-clearance, wherever applicable, when the Portfolio Manager proposes to trade in the KIL's shares exceeding threshold limit and also make continual disclosures, wherever applicable, as provided in this Code.
- iii) Ensuring that the portfolio manager abides by the requirement of minimum holding period and not do contra trade as provided in this Code.
- iv) Prohibiting the Portfolio manager to trade in securities of KIL at his own discretion or when the Designated Person and/or their Immediate Relative is in possession of UPSI. Despite the above, if any trading is done by portfolio managers, it will be treated as trading done by the Designated Person and/or their Immediate Relative, and therefore the Designated Person and/or their Immediate Relative will be held responsible for any such non-compliance and subject to such penalties as specified in this Code.

Institutional Mechanism for Prevention of Insider trading

6.1 The Managing Director along with the Compliance Officer shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the SEBI (PIT) Regulations to prevent insider trading. There shall be periodic process to review and the evaluate effectiveness of such internal controls. The Board of Directors of KIL shall oversee the effectiveness of internal controls at least once in a year. The Audit Committee of the Board of KIL shall review the compliance with SEBI (PIT) Regulations from time to time.

- 6.2 To see to it that any leakage of material information is obviated, the gap between Audit Committee meeting and Board meeting shall not be more than one day or such other timeline as may be decided by the Board from time to time. The objective should be to keep the gap between the two meetings as narrow as possible.
- 6.3 The trading window shall be closed when the compliance officer determines that any Designated person can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
- 6.4 Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results.
- 6.5 When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is above such thresholds as the board of directors may stipulate.
- 6.6 Prior to approving any trades, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- 6.7 Trades that have been pre-cleared by the Compliance Officer will have to be executed the Designated Person within 7 days of approval, failing which fresh pre-clearance would be needed for the trades to be executed.
- 6.8 Every Designated Person who is permitted to trade shall not execute a contra trade within a period of six months from the date of the first trade. The compliance officer shall be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the SEBI (PIT) Regulations.

VII. Trading Window and Window Closure

1. a. 'The trading period' means the trading period of the stock exchanges, called 'trading window', is available for trading in the Company's securities.
- b. The trading window shall be, inter alia, closed during the following period:
 - (i) From the closure of the quarter/ half year/ year and upto 48 hours after the date on which the results for the respective quarter/ half year/ year as the case may be is announced to the Stock Exchange;

- (ii) Seven (7) days prior to the date of the Board Meeting and up to 48 hours after the date of the Board meeting at which proposal on any matter which has a bearing on the price of security is considered: example: recommendation of dividend / interim dividend / bonus shares / right shares/ further issue of shares/ amalgamation/ merger /takeover, etc.
 - (iii) Two (2) days prior to the date of the Board Meeting up to 48 hours after the date of the Board meeting at which proposal on buyback of shares is considered.
 - (iv) In addition to the above, the Compliance Officer may in consultation with the Managing Director, declare the Trading Window closed, on an “as-needed” basis for any reason.
 - (v) Trading Window shall be also closed for the designated person or class of designated persons when the Compliance Officer determines that the designated persons or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information either due to being part of any special project or otherwise. The Trading Window shall be opened not earlier than 48 hours after the information becomes generally available or when it is finally decided to abandon the project.
- c. During the trading window closure period the Designated Persons and their Immediate Relatives shall not trade in the Company’s securities during such period subject to certain exceptions as have been laid out in the SEBI (PIT) Regulations. When a Delinquent person who has traded in securities has been in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information.
 - d. Designated Persons and their Immediate Relatives shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company’s securities during the periods when the trading window is closed, as referred to in Point No. b above or during any other period as may be specified by the Company from time to time.
- 2. The Compliance Officer shall intimate the closure of trading window to all the designated persons of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
 - 3. The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.

4. The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

VIII. Digital Database of Recipient of UPSI

1. The Compliance Officer shall be responsible to maintain a structured digital database of such persons or entities as the case may be with whom information is shared under this Regulation, which shall contain the following information:
 - Name of such recipient of UPSI
 - Name of the Organization or entity to whom the recipient represents
 - Postal Address and E-mail ID of such recipient
 - Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.
 - Nature of UPSI
2. The Compliance Officer shall also be responsible to ensure that such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database.
3. Designated Persons shall disclose names and PAN or other identifier authorized by law, of the following persons on annual basis and as and when the information changes;
 - Designated person him/herself
 - Immediate relatives of Designated Person
 - Persons with whom such Designated Person(s) has a material financial relationship
 - Phone/cell numbers which are used by them

Explanation: The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding Twelve (12) months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

4. The Board shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

IX. Pre-clearance of trades

All Designated Persons, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades is above 500 shares or up to Rs. 5 Lakhs (market value), whichever is less in one transactions or series of transactions over any calendar quarter, should pre-clear the transaction. However, no designated person shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed and hence he shall not be allowed to trade. The pre- dealing procedure shall be hereunder:

- (i) An application may be made in the prescribed Form as specified in **Annexure 1** to this code to the Compliance officer indicating the estimated number of securities that the Designated Persons or Employee intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the Company in this behalf.
- (ii) An undertaking shall be executed in favour of the Company by such Designated Persons or Employee incorporating, *inter alia*, the following clauses, as may be applicable:
 - (a) That the employee/director/officer does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
 - (b) That in case the Designated Persons or Employee has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
 - (c) That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
 - (d) That he/she has made a full and true disclosure in the matter.
 - (e) Format of undertaking is attached as **Annexure 2** to this code.
- (iii) Designated Person(s) shall execute their order in respect of securities of the Company within one week after the approval of pre- clearance is given as per **Annexure 3**.

- (ii) The Designated Person shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed format attached as **Annexure 4** to this code. In case the transaction is not undertaken, a report to that effect shall be filed.
- (iii) If the order is not executed within seven days after the approval is given, the employee/director must pre-clear the transaction again.
- (iv) All Designated Persons who buy or sell any number of shares of the Company shall not enter into a contra trade i.e. sell or buy any number of shares during the next six months following the prior transaction. All Designated Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
- (v) The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

X. Disclosure of Trading by Designated Person and/or their Immediate Relative

General provisions

- 1) The disclosures to be made by any person under this code shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
- 2) The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code. Provided that trading in derivatives of securities is permitted by any law for the time being in force.
- 3) The disclosures made under this code shall be maintained for a period of five years.

Initial Disclosures:

Every person on appointment as a Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group and immediate relatives of such persons and by other such persons as mentioned in Regulation 7(1)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time shall disclose his / her holding of securities to the company within seven days of such change in the prescribed Form B (**Annexure 5**)

Continual Disclosures:

Details of any change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of the Company and immediate relatives of such persons and other such persons as mentioned in Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time shall be disclosed to the Company within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of 500 shares or up to Rs. 5 Lakhs in the prescribed Form C (**Annexure 6**)

The disclosure shall be made within 2 working days of:

- (a) the receipt of intimation of allotment of shares, or
- (b) the acquisition or sale of shares or voting rights, as the case may be.

Disclosure by the Company to the Stock Exchange(s)

1. Within 2 days of the receipt of intimation under the regulation of Continual disclosure, the Compliance Officer should disclose the information received to all Stock Exchanges on which the Company is listed.
2. The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors / officers / designated person for a minimum period of five years.

Disclosures by other Connected persons:

The Compliance Officer may require any other Connected Persons to make disclosures of holdings and trading in securities of the Company in the prescribed Form D (**Annexure 7**) at such frequency as may be determined by him in order to monitor compliance with these regulations.

Disclosures by Designated persons:

All Designated persons shall furnish in the prescribed form to the Compliance Officer details of their holding of securities and transactions in the securities of the Company on an annual basis. This disclosure must be made within 30 (thirty) days from the closure of the financial year.

XI. Dissemination of Price Sensitive Information

1. No information shall be passed by Designated Persons by way of making a recommendation for the purchase or sale of securities of the Company.
2. Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors:

The following guidelines shall be followed while dealing with analysts and institutional investors:

- Only public information to be provided.
- At least two Company representatives be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

XII Consequences of Default / Penalty for contravention of the code of conduct

1. Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
2. Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.
3. Designated Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback, ineligibility for future participation in employee stock option plans, etc.
4. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

In any non-adherence is observed, the Compliance Officer shall cause an internal enquiry and if non-compliance is established, he shall report to the Chairman/ Managing Director / CEO and after further inquiry or investigation or direction, the Chairman / Managing Director / CEO will decide further course of action including reporting to the Board of Directors.

In case of any non-observance of this code by any Director, the same shall be decided by the Board.

In case the Board of Directors of the Company observes and determines that there has been violation of this code and Regulations, the Board would promptly inform the stock exchange(s) where the Company's securities are listed, in such form and such manner as may be specified by the SEBI from time to time, about such violation, as per the Regulations and any amount collected for such violation shall be remitted to SEBI to the Investor Protection and Education Fund (IPEF) administered by SEBI under the Act.

Any violations under the PIT Regulations and this Code will be reported by the Compliance Officer to SEBI.

XIII. AMENDMENTS:

The Board may, at any time, modify, alter and amend the provisions of this Code by giving notice of such modification, alteration and amendment to the Designated Persons.

ANNEXURE 1**SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL**

Date:

To,
The Compliance Officer,
Kennametal India Limited
Bangalore

Dear Sir,

Application for Pre-dealing approval in securities of the Company

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and KIL Code of Conduct for Regulating, Monitoring and Reporting of trading in securities by employees and other Designated persons, I seek approval to purchase / sale / subscription of _____ equity shares of the Company as per details given below:

1	Name of the applicant	
2	Designation	
3	Number of securities held as on date	
4	Folio No. / DP ID / Client ID No.)	
5	The proposal is for	(a) Purchase of securities (b) Subscription to securities (c) Sale of securities
6	Proposed date of dealing in securities	
7	Estimated number of securities proposed to be acquired/subscribed/sold	
8	Price at which the transaction is proposed	
9	Current market price (as on date of application)	

10	Whether the proposed transaction will be through stock exchange or off-market deal	
11	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	
12	Stock Derivative- lot size as notified given by exchanges a) Stock Future – No. of units, Price & Expiry Date b) Stock Option- No. of units, Put/ Call, Strike price & Expiry Date	
13	PAN and Mobile No.	

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of employee)

ANNEXURE 2**FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE
APPLICATION FOR PRE-CLEARANCE
UNDERTAKING**

To,

Kennametal India Limited
Bangalore

I, _____, _____ of the
Company residing at _____,
am desirous of dealing in _____* shares of the Company as mentioned in
my application dated _____ for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished
Price Sensitive Information (as defined in the Company's Code of Conduct for
prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed
as "Price Sensitive Information" as defined in the Code, after the signing of this
undertaking but before executing the transaction for which approval is sought, I shall
inform the Compliance Officer of the same and shall completely refrain from dealing in
the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the
Company from time to time.

I undertake to submit the necessary report within two days of execution of the
transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within 7 days of the receipt of
approval failing which I shall seek pre-clearance.

I declare that I have made full and true disclosure in the matter.

Date :

Signature: _____

* Indicate number of shares

ANNEXURE 3**FORMAT FOR PRE - CLEARANCE ORDER**

To,

Name : _____

Designation : _____

Place : _____

This is to inform you that your request for dealing in _____ (nos.) shares of the Company as mentioned in your application dated _____ is approved. Please note that the said transaction must be completed on or before _____ (date) that is within 7 days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours faithfully,
for Kennametal India Limited

COMPLIANCE OFFICER

Date : _____

Encl: Format for submission of details of transaction

ANNEXURE 4**FORMAT FOR DISCLOSURE OF TRANSACTIONS**

(To be submitted within 2 days of transaction / dealing in securities of the Company)

To,
The Compliance Officer,
Kennametal India Limited
Bangalore

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to _____ securities as mentioned below on _____ (date)

Name of holder	No. of securities dealt with	Bought/sold/subscribed	DP ID/Client ID / Folio No	Price (Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the Compliance officer / SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (*applicable in case of purchase / subscription*).

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Date : _____

Signature : _____

Name:

Designation:

ANNEXURE 5

FORM B

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]

Name of the company: _____

ISIN of the company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director / OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding
			Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	
1	2	3	4	5	6

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Open Interest (OI) in derivatives on the securities of the company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature: _____

Designation: _____

Date: _____

Place: _____

ANNEXURE 6

FORM C
Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (2) read with Regulation 6(2) – Continual Disclosure]

Name of the company: _____

ISIN of the company: _____

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoter/ member of the promoter group/designated person/ Director s/immediate relative to/others etc.)	Securities held prior to acquisition/ disposal		Securities acquired / Disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ disposal of shares, specify		Date of intimation to company	Mode of acquisition /disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs, etc.)	Exchange on which the trade was executed
		Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of share holding	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No.	value	Transaction Type (Purchase/sale Pledge / Revocation / Invocation/ Others-please specify)	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of share holding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & signature:

Designation:

Date:

Place:

ANNEXURE 7

Form D (Indicative format)

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

Regulation 7(3) – Transactions by Other connected persons as identified by the company

Details of trading in securities by other connected persons as identified by the company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition / disposal		Date of allotment advice/ acquisition of shares/ disposal of shares specify		Date of intimation to company	Mode of acquisition/d isposal (on market/ public/ rights/ Preferential offer / off market/ Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed
		Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of share holding	Type of securities (For eg. – Shares, Warrants Convertible Debentures, Rights entitlement, etc.)	No.	Value	Transaction Type (Purchase/Sale/ Pledge/ Revocation / Invocation/ Others- please specify)	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of share holding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & signature:

Date:

Place:



KENNAMETAL INDIA LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

**[Pursuant to Regulation 8 of the Securities and Exchange Board of India
(Prohibition of Insider Trading) Regulations, 2015]**

Amended and effective February 3, 2022

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1. Scope and background

- 1.1. The Securities Exchange Board of India (**'SEBI'**) vide the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018 has amended regulation 3 of the SEBI (Prevention of Insider Trading) Regulations, 2015 (**'SEBI PIT Regulations'**) by adding sub-regulation (2A) under regulations 3 of the SEBI (PIT) Regulations. The said sub-regulation (2A) requires the Board of listed entities to formulate a policy for determination of 'Legitimate Purposes' as a part of 'Code of Fair Disclosure and Conduct' under regulation 8 of the amended and restated SEBI (PIT) Regulations 2015.
- 1.2. This Code of Practices and Procedures for Fair Disclosure of UPSI (the 'Code for Fair Disclosure') is to be read as part and parcel of the Kennametal India Limited (KIL or the 'Company') Code of Conduct for regulating, monitoring and reporting of trading in Securities by Designated Persons and their Immediate Relatives. In case there is any contradiction in the interpretation of the two codes, the KIL Code of Conduct for regulating, monitoring and reporting of trading in Securities by Designated Persons and their Immediate Relatives shall prevail over the Code of Fair Disclosure.
- 1.3. This Code for Fair Disclosure shall be effective from April 1, 2019 and is amended on February 3, 2022.

2. Corporate Disclosure Policy

- 2.1. The Company believes in timely, uniform and adequate disclosure of UPSI as per the statutory framework and the Company's communication policies. All UPSI shall be handled only on a **"Need to Know"** basis.
- 2.2. **"Need to know"** means the Price Sensitive Information shall be disclosed only to those within the Company who need the information to discharge their duties and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
- 2.3. **"Unpublished Price Sensitive Information"** (UPSI) means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily include but not limited to, information relating to the following:
 - 2.3.1. Financial Results;
 - 2.3.2. Dividends;
 - 2.3.3. Change in Capital Structure;
 - 2.3.4. Mergers, De-mergers, Acquisitions, Delisting, Disposal and Expansion of business and such other transactions;
 - 2.3.5. Changes in Key Managerial Personnel; and
 - 2.3.6. Material Events as specified in the Policy on Determining Materiality and Archival of Disclosures pursuant to Regulation 30 of SEBI (Listing

Obligations and Disclosure Requirement) Regulations, 2015 as amended from time to time.

- 2.4. Any person(s) who has/have been brought inside on any proposed and/or ongoing sensitive transaction(s) and in receipt of unpublished price sensitive information shall be considered an “insider” for purposes of this Code for Fair Disclosure and due notice shall be given to such persons, in the format as set out in by the Compliance officer in consultation with Managing Director of the Company;
 - 2.4.1. To make aware such person that the information shared is or would be confidential.
 - 2.4.2. To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
 - 2.4.3. To make aware to such person the duties and responsibilities attached to the receipt of such information and the liability attached to misuse or unwarranted use of such information.
to maintain appropriate data base of such persons including all relevant details of the said person in digital form.
 - 2.4.4. To require him/ her/ entity to sign an appropriate Non-Disclosure Agreement.
- 2.5. The Compliance Officer shall take all further steps as may be required to ensure that the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015 as amended from time to time is duly complied in pith and substance.

3. Chief Investor Relations Officer

- 3.1. The Compliance Officer shall be the Chief Investor Relations Officer, who shall oversee the disclosure and dissemination of UPSI to Stock Exchanges in consultation with the Managing Director.

4. Disclosure of UPSI

- 4.1. Every disclosure/ dissemination of UPSI shall be jointly approved in advance by the Managing Director and the Compliance Officer.
- 4.2. The Compliance Officer in consultation with the Managing Director shall furnish UPSI to the Stock Exchanges. The UPSI shall be hosted on the website of the Company after the information is furnished to the Stock Exchanges.
- 4.3. If UPSI is accidentally disclosed without prior approval, the person making such disclosure shall immediately inform the Managing Director or the Compliance Officer, as the case may be, who shall take all necessary steps to make the information generally available and accessible by the public at large or take such other steps as is necessary to mitigate risks/ any possible contravention of the provisions of the Regulations.

5. Sharing of UPSI for Legitimate Purpose

5.1. The Directors, employees of the Company and other Insiders shall maintain strict confidentiality of UPSI relating to the Company. “Insider” means a person who is in possession of or having access to UPSI and includes a Connected Person.

The term Connected Person is defined in Annexure – 1 to this Policy.

5.2. The UPSI should not be communicated to any person including other Insiders except where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligation and in ordinary course of business.

5.3. The term “Legitimate Purpose” shall mean and include sharing of UPSI in the ordinary course of business by an insider, on a ‘Need to Know’ basis, with Directors, employees, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants or statutory authorities or other entities, provided that such sharing has not been carried out to evade or circumvent any provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

5.4. Any person in receipt of UPSI including the one who has received pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of these regulations. All person who have received UPSI pursuant to Legitimate Purpose shall be given due notice to maintain confidentiality of such UPSI in compliance with these regulations and not to trade in securities of the Company when in possession of UPSI and for the said purpose the Company shall execute agreement with such insider(s).

5.5. The powers of the Board to decide, from time to time, the fairness of disclosure of any UPSI remains unfettered. The decision of the Board to disclose UPSI may be in the best interests of the Company or to ensure due fairness and adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The Board may from time to time authorize any personnel of the Company or a group of personnel of the Company or a form a committee to decide the fairness of any UPSI disclosure.

5.6. The Board may at any time decide to permit communication, provide, allow access to or procure UPSI for certain transactions which shall be deemed to be for ‘Legitimate Purposes’. Some of the transactions are mentioned hereunder:

5.6.1. Transactions that entails an obligation to make an open offer under the takeover regulations where the Board of Directors of KIL is of the informed opinion that sharing of such information is in the best interests of the Company;

NOTE: It is intended to acknowledge the necessity of communicating, providing, allowing access to or procuring UPSI for substantial transactions such as takeovers, mergers and acquisitions involving trading in securities and change of control to assess a potential investment. In an open offer under the takeover regulations, not only would the same price be made available to all shareholders of the company but also all information necessary to enable an informed divestment or retention decision by the public shareholders is required to be made available to all shareholders in the letter of offer under those regulations.

- 5.6.2. Not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of KIL is of informed opinion that sharing of such information is in the best interests of KIL and the information that constitute UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine to be adequate and fair to cover all relevant and material facts.
- 5.6.3. The Board of Directors of KIL may, in order, to rule out any information asymmetry in the market permit communicating, providing, allowing access to or procuring UPSI also in transactions that do not entail an open offer obligation under the takeover regulations when any sharing of such information is in the best interests of the KIL and ensuring due adherence to the SEBI (PIT) Regulations.
- 5.7. The Insider sharing the UPSI to others in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligation and in ordinary course of business shall enter the following information on the digital database maintained by the Company pursuant to provisions of Regulation 3(5) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time:
 - 5.7.1. Name of the Person sharing the information along with employee number.
 - 5.7.2. Brief description of the nature of information shared.
 - 5.7.3. Purpose of sharing the information.
 - 5.7.4. Name, designation and organization of the Person to whom the information is shared.
 - 5.7.5. PAN or any other identifier authorized by law of the Person to whom the information is shared.
 - 5.7.6. Date and time of sharing the information.
- 5.8. Before attempting to share any UPSI with a third party (outside Kennametal) every employee of KIL carries an obligation to get prior approval of the Compliance Officer and Managing Director and shall make sure that a Non-Disclosure Agreement is signed between the authorized representative of KIL and the recipient of the UPSI.

6. Responding to market rumors and queries on news reports

- 6.1. The Compliance Officer in consultation with the Managing Director and/ or the Chief Financial Officer shall respond to requests of verification from Stock Exchanges on news reports or market rumors.
- 6.2. The Compliance Officer in consultation with the Managing Director and/ or the Chief Financial Officer shall decide whether a public announcement is necessary for verifying or denying rumors and then make appropriate disclosures.

7. Disclosure/Dissemination of UPSI to Analysts, Institutional Investors and Media

- 7.1. Only the Managing Director, Compliance Officer and the Chief Financial Officer shall have authority to deal with analysts, institutional investors and media. All other persons including, officers, employees and Directors of the Company shall not deal with analysts and media except with the prior approval of the Managing Director. All Directors, officers and employees of the Company shall comply with the following guidelines while dealing with analysts, institutional investors and media:
 - 7.2. Nature of information to be provided

Only public information shall be provided to the analysts, research persons, large investors, institutional investors and media. The information so given should, to the best possible extent, be simultaneously made public at the earliest.
 - 7.3. Recording of discussion

In order to avoid misquoting or misrepresentation, the Compliance Officer or such authorized official of the Company shall be present at meetings with analysts, research persons, large investors and institutional investors. The discussions shall be video or audio recorded.
 - 7.4. Handling of unanticipated question

The questions that raise issues outside the intended scope of discussion should be handled with care. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes UPSI, a public announcement should be made before responding.
 - 7.5. Simultaneous release of information

When any meeting is organized with analysts / Institutional Investors, an intimation / outcome shall be made or the transcript of the proceedings will be hosted on the website of the Company after every such meeting and also will be intimated to the Stock Exchange.

8. Decision to disclose UPSI to public

8.1. The Managing Director and Compliance Officer in coordination with the Chief Financial Officer shall take the following into consideration the following points/ questions before deciding whether or not to disseminate an UPSI to the public at large:

8.1.1. The business value of the information. Does disseminating the information cause any harm to the business?

8.1.2. Who are the persons with whom the UPSI has been shared? Are they large number of people or a segment of people who are controllable/ trust worthy and would abide by all the undertakings signed by them before obtaining the UPSI.

8.1.3. Is there a possible contravention of the Regulations by not making this UPSI public?

8.1.4. Any other factor significant risks associated with disclosure/ non-disclosure of UPSI to the public at large.

8.2. Each of the decision whether or not to make a UPSI public shall be duly documented by the Compliance Officer.

9. Medium of Disclosure/Dissemination

9.1. Disclosure/dissemination of information may be made through various media, as may be decided from time to time by the Managing Director and Compliance Officer, so as to achieve good reach and quick dissemination.

9.2. Disclosures may also be made through the Company's website and alongside informing the stock exchanges.

9.3. Information could be possibly published in Newspapers having wide circulation.

Annexure – 1

Connected Person means -

- (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
 - (a) an immediate relative of connected persons specified in clause (i); or
 - (b) a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (i) a banker of the company; or
 - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent, of the holding or interest;

NOTE: It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the Company and its Officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.