

**POLICY ON DETERMINING OF MATERIALITY EVENTS/INFORMATION**

**Last reviewed/amended by Board of Directors: August 5, 2023**

**A. K. CAPITAL SERVICES LIMITED****POLICY ON DETERMINING OF MATERIALITY EVENTS/INFORMATION****INTRODUCTION:**

This policy is prepared in accordance with the requirements of the provisions of Regulation 30(4) (ii) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations"). The Regulations inter-alia requires companies whose securities are listed on the Stock Exchange(s) to make disclosures of certain events or information which, in the opinion of Board is material in a timely manner.

In light of the foregoing requirements, the Board of the Company at their meeting held on May 21, 2016 had adopted the policy on Determining of Materiality Events/Information.

**OBJECTIVE OF THIS POLICY:**

- A. To ensure that the Company complies with the disclosure requirements pursuant to applicable Law.
- B. To ensure that events/information disclosed by the Company in a timely manner.
- C. To ensure transparency and timely disclosure of relevant events/information to the shareholders of the Company which is important to protect the interests of the shareholders of the Company.
- D. To help KMPs/ Directors in determining Materiality of events/information.
- E. To develop systematic approach in disclosing events/information relating to the Company.

**DEFINITIONS:**

- i. **"Board"** means Board of Directors of the Company.
- ii. **"Key Managerial Personnel"** means key managerial personnel as defined under the Companies Act, 2013 and includes:-
  - (i) Chief Executive Officer or Managing Director or Manager
  - (ii) Company Secretary;
  - (iii) Whole-time Director;
  - (iv) Chief Financial Officer;
  - (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
  - (vi) Such other officer as may be prescribed
- iii. **"Subsidiary"** shall mean a Subsidiary as defined under Section 2(87) of the Companies Act, 2013 and the Rules made thereunder.
- iv. **"Senior Management"** shall mean the officers or employees as defined under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- v. **"Compliance Officer"** shall mean the Company Secretary of the Company.

- vi. “Relevant employees” shall mean and include employees as determined by the Board of Directors of the Company.
- vii. “Regulations” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.
- viii. “Ordinary Course of Business” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the company can undertake as per Memorandum & Articles of Association.

#### GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS/INFORMATION

1. Events / information listed in Para A of Part A of Schedule III of the Listing Regulation shall be deemed to be material events and the Company shall make disclosure of such events / information without applying any criteria of materiality.
  2. For disclosure of certain events as specified in Para B of Part A of Schedule III to the Stock Exchange(s) the following criteria shall be considered by the Board for determining whether the events are material or not:
    - (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
    - (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) the omission of an event or information, whose value or the expected impact in terms of value exceeds the lower of the following:
      - i. two percent of turnover, as per the last audited consolidated financial statements of the Company
      - ii. two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative
      - iii. five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company
- Accordingly, any transactions exceeding the lower of i, ii or iii above, with an annual impact in value, will be considered for the above purposes.
- (d) any 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.

3. The Company shall also disclose all events or information with respect to its subsidiaries which are material for the company'.
4. Upon identification of potential material events/information, the relevant employee shall promptly report the details of such potential material events/information in the format as mentioned in Annexure I to the Authorized Officer (KMP).

### TIME LIMIT FOR THE DISCLOSURE

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

- (i) **thirty minutes** from the closure of the meeting of **the board of directors** in which the decision pertaining to the event or information has been taken
- (ii) **twelve hours** from the occurrence of the event or information, in case the event or information is **emanating from within the listed entity**
- (iii) **twenty four hours** from the occurrence of the event or information, in case the event or information is **not emanating from within the listed entity**

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

Provided further that In case the disclosure is made after the timelines specified under this regulation, the Company shall, along with such disclosure provide the explanation for the delay

### DISCLOSURE OF THE POLICY:

The company shall disclose the policy on determining of materiality of events/information on its website, and such disclosure shall be hosted on the website of the Company for minimum period of five years and thereafter archived as per the Archival Policy of the Company.

### IMPLEMENTATION AND MONITORING

- A. The Managing Director, Chief Financial Officer, Whole-time Director and the Company Secretary (“Authorized KMP’s”) of the Company are severally authorized by the Board to decide whether any event or information is material, verifying or denying rumors for the purposes of making disclosures to the stock exchange(s).
- B. The Authorized KMP’s shall in case of any doubt, call for a meeting of the Board of Directors of the Company to decide on the materiality of an event/information.

### SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations / Act or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

### AMENDMENTS IN THE POLICY

The Company shall reserve the rights to make amended to the Policy from time to time as it deems fit in accordance with the applicable laws, rules and regulations for the time being in force.

## Annexure I

Format for Submission of Information to Compliance Officer (to be filled by the Nodal Officer/Relevant Employee)

S. No.	Question	Remarks
1.	Name of the Department	
2.	Name and Designation of originator of Information	
3.	Details of events/Information	
4.	Analysis/working, if any. (For impact of such information on Company)	
5.	Source of Information	
6.	Calendar of Events/milestones (date wise)	
7.	Name of Persons with whom such information is shared along with PAN/other identifier detail in absence of PAN (internal/external)	

I, \_\_\_\_\_, hereby undertake that the aforementioned information provided by the undersigned is true and to the best of my knowledge. The information is provided in compliance with the Regulation 30 of the SEBI (Listed Obligations and Disclosure Requirements), Regulations, 2015. The undersigned is being made aware that the above information will be kept strictly confidential and will not be shared except under the circumstances:

- a) Under any proceedings or pursuant to any order of courts or tribunals.
- b) For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law; and
- c) In compliance with applicable laws, regulations, rules, and requirements.
- d) In order to fulfil his/her duties/obligations

\_\_\_\_\_  
Name and Signature:  
Place:  
Date: