

# **AKME STAR HOUSING FINANCE LIMITED**

## **Policy for Determination of Materiality of events and information for Disclosure to the Stock Exchange**

## Table of Contents

1. Scope and Purpose.....	3
2. Applicability.....	3
3. Definitions.....	3
4. Policy.....	4
5. Interpretation.....	5
6. Disclosure.....	5
7. Authority to make alterations.....	5

## 1. Scope and Purpose

The Securities Exchange Board of India, on 2<sup>nd</sup> September, 2015, has come out with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations, 2015). By virtue of the Regulation 30 of said Regulations, 2015, **Akme Star Housing Finance Limited** (the "Company") recognizes the need to frame a policy to determine the material events by testing the materiality as required under Regulation 30 for the purpose of proper, sufficient and timely disclosure of the same to the Stock Exchange (where the Company's equity shares are listed, herein after called "the Exchange").

This Policy for Determination of Materiality (the „Policy“) has been adopted by the Board of Directors of the Company at its Meeting held on 13<sup>th</sup> February, 2019.

## 2. Applicability

This Policy shall be applicable to all events in the Company, as and when they come under the criteria enumerated in the Policy.

## 3. Definitions

- I. **"Board"** shall mean the Board of Directors of the Company;
- II. **"Company"** shall mean Akme Star Housing Finance Limited;
- III. **"Compliance Officer"** shall mean the Company Secretary of the Company;
- IV. **"Key Managerial Personnel / KMP"** means Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013
- V. **"Listing Regulations 2015"** mean SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 which include modifications/ clarifications/ circulars thereof.
- VI. "Material Event" or "Material Information" shall mean such event or information as set out in the Schedule III of Listing Regulation 2015 or as may be determined in terms of the Policy. In the Policy, the words, "material" and "materiality" shall be construed accordingly.
- VII. **"Officer"** means as assigned to the term in clause (59) of Section 2 of the Companies Act, 2013 and shall include Promoters of the Company.

*Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable law/regulation/rules.*

## 4. Policy

**A.** The Whole Time Director, Chief Financial Officer and Company Secretary of the Company are severally authorised for the purpose of determining materiality of an event or information based on application of this policy and guidelines for materiality as defined in sub-clause D of this clause and making disclosures to the stock exchanges.

The contact details of the above KMPs so designated shall be disclosed to the stock exchange and also be placed on the Company's website.

**B.** Certain information would be per se Material Information as per Para A of Part A of Schedule III of the Listing Regulations, 2015 as specified in Annexure-A.

**C.** Besides per se Material Information, an event / information as mentioned in Para B, C & D of Part A of Schedule III of the Listing Regulations 2015 as specified in Annexure-B, would be deemed as Material Information based on application of this policy, if any information or event or major development likely to affect the business which are exclusively known to the Company and which may be necessary to be disclosed to enable holders of securities of the Company to appraise its position and avoid establishment of false market in the securities and in order to enable investors to make well-informed investment decisions.

An illustrative list of the events to which the guidelines at clause 4(C) above would be applied shall be as per Para B, C and D of Part A of Schedule III of the Listing Regulations, 2015.

**D.** In addition to above, the Company and/or authorized KMPs shall also consider the following criteria for determination of materiality of events/ information:

- i. the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- ii. the omission of an event or information, which is likely to result in significant market reaction if the said omission came to light at a later date;
- iii. In case where the criteria specified in clause (i) and (ii) above are not applicable, an event/information may be treated as being material if such event/information is covered by criteria specified under Sub-Clause C of Clause 4 above or in the opinion of the Board of Directors of the Company is material.

Where it is difficult to report the events based on qualitative criteria as stated above, the same may be considered material for disclosure, upon meeting materiality thresholds as may be considered and decided by the authorized KMPs based on latest audited financial statements of the Company.

## **5. Interpretation**

In any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard.

## **6. Disclosure**

The authorized KMPs shall observe the following for proper and timely disclosure to the Stock Exchange of any material events/ information as defined hereon:

I. For determining materiality of any event/transaction, reference is to be made to this Policy and the Regulations.

II. Immediate disclosure of events enumerated in sub-para (1) to (3) of Part-A of Schedule III of the Listing Regulations 2015 without application of this policy.

III. Disclosure of the events enumerated in sub-para 4 of Para- A of Part- A of Schedule III of the Listing Regulations 2015 shall be made within 30 minutes of the conclusion of the Board Meeting.

IV.. All events mentioned in Para- A of Part A ( other than sub-para 4 ), Para -B, Para -C and Para - D of Part- A of Schedule III of the Listing Regulations 2015, shall be disclosed by the Company as soon as reasonably possible but not later than 24 hours from the occurrence of a particular event.

V. Any material development of an event/information disclosed shall be made to the exchange.

V. All the disclosures made to the Stock Exchange under this Policy shall also be disclosed on the Website of the Company and the same shall be hosted for a minimum period of five years.

VI. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.

## **7. Authority to make alterations**

The Board is authorized to periodically review and make such alterations to this Policy as considered appropriate, subject to the condition that such alterations shall not be inconsistent with the provisions of the Listing Regulations 2015. Approval of the Board will not be required for updating the List of events as given in annexure, if required to comply with the Listing Regulations 2015.

## **Annexure-A**

### **Para A of Schedule III of the Listing Regulations 2015**

A. Events which shall be disclosed upon application of the guidelines for materiality referred 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).

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.

8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.

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. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.

## **Annexure-B**

### **Para B, C & D of Part A of Schedule III of the Listing Regulations 2015**

B. Events which shall be disclosed upon application of the guidelines for materiality referred in 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.



C. 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.

D. Without prejudice to the generality of para (A), (B) and (C) of Part -A of Schedule III of the Listing Regulations, the listed entity may make disclosures of event/information as specified by the Board from time to time.

**For Akme Star housing Finance Limited**

**Ashish Jain  
Managing Director**

**The Policy for determining Material events and information for disclosure to the Stock Exchange approved by the Board vide Agenda Item No.      in its meeting held on  
13.02.2019**

**Ashish Jain  
Managing Director**

