



## **POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENT / INFORMATION**

**(Regulation 30(4) of the SEBI (Listing Obligations and Disclosures Requirements)  
Regulation, 2015 read with Schedule III of the said regulation)**

---

### **I. BACKGROUND AND APPLICABILITY OF THE POLICY:**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) requires every Listed Company to disclose events or information which, in the opinion of the Board of Directors of a Company are material.

In this context, the following policy has been framed by the Board of Directors (“Board”) of Premier Capital Services limited (“the Company”) at its meeting duly held with the objective of determining materiality of events.

1. Regulation 30 of the Regulations mandates disclosure of all deemed material events to the Stock Exchange(s). These events have been specified in Para A of Part A of Schedule III of the Regulations and shall be disclosed as applicable from time-to time. **(Annexure A)**
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:- **(Annexure B)**
  - (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
  - (b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or
  - (c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
    - (i) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
    - (ii) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
    - (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 listed entity;
  - (d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material:

## **II. MATERIALITY THRESHOLDS:**

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event.

The qualitative criteria (as stated in points a and b) and quantitative criteria (as stated in point c) shall apply to events specified in **Para B of Part A of Schedule III** of the SEBI Regulations only. (reproduced as an Annexure B to this Policy).

The following will be the materiality criteria:

An event specified in the Annexure B to the policy would be considered material if the impact of the event, if measured in:

- a. For points 1 to 9 of the Annexure, if it exceeds 20 % of the consolidated income, consolidated profit before tax or consolidated net worth, as may be applicable.
- b. For Frauds/ defaults, etc. by Directors (other than Key Managerial Personnel) or employees of the Company involving financial impact of Rs. 5 crore or more.
- c. For Options to purchase securities, including any ESOP/ESPS Scheme, if any, amounting to 1% of post-issue equity share capital of the Company.
- d. For giving of guarantees or indemnity or becoming a surety for any third party in excess 20% of the consolidated net worth of the Company.

The above thresholds shall be determined on the basis of the last annual audited consolidated financial statements of the Company.

## **III. DISCLOSURES OF EVENTS OR INFORMATION:**

- (a) The Company shall make disclosure to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation 30 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 disclosure with respect to events for which timelines have been specified in '**Annexure A**' and '**Annexure B**' shall be made within such timelines:

Provided further that in case the disclosure is made after the timelines specified under this regulation, the listed entity shall, along with such disclosure provide the explanation for the delay.

#### **IV. AMENDMENT:**

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

The list of events in Annexure, as it stands today may be updated, from time to time, by authorised persons, to reflect any changes to the Regulations and the updated version be issued and published as necessary, without any requirement for approval from the Board of Directors of the Company.

#### **V. SCOPE AND LIMITATION:**

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement/Companies Act, 2013 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.

## ANNEXURE-A

Events which shall be disclosed without any application of the guidelines for Materiality:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.

Explanation (1) - For the purpose of this sub-paragraph, the word 'acquisition' shall mean-

- (i) acquiring control, whether directly or indirectly; or
- (ii) acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, 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 subclause (a) of clause (ii) of the Explanation to this sub-paragraph and such change exceeds two per cent of the total shareholding or voting rights in the said company; or
  - (c) The cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (2) - For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-

- (i) an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or
- (ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in subclause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (3) - For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.

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. New Rating(s) or Revision in rating(s);
4. Outcome of Meetings of the Board of Directors: The Company 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 Company 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 Company), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof;

5A. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:

Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

6. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad:

For the purpose of this sub-paragraph:

- (i) 'Fraud' shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- (ii) 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, and subsidiary shall mean default which has or may have an impact on the listed entity

- 7. Change in Directors, Key Managerial Personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, senior management 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 as given by the said director.
    - ia. 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 are 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 disclosures as specified in sub-clause (i) and (ii) above.
  - 7C. In case of resignation of key managerial personnel, senior management, Compliance Officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities within seven days from the date that such resignation comes into effect.
  - 7D. In case the Managing Director or Chief Executive Officer of the listed entity was indisposed or unavailable to fulfill the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).
8. Appointment or discontinuation of share transfer agent;

9. Corporate debt restructuring;
10. One-time settlement with a bank;
11. 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 Company;
13. Proceedings of Annual and extraordinary general meetings of the Company;
14. Amendments to memorandum and articles of association of Company, in brief;
15. Schedule of Analyst or institutional investor meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations on financial results made by the Company to analysts or institutional investors.

**Others as may be mentioned in Schedule III Part A Para A of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015**

**ANNEXURE: B**

Illustrative list of events which shall be disclosed upon application of the guidelines for materiality:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division;
2. Any of the following events pertaining to the listed entity:
  - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
  - (b) adoption of new line(s) of business; or
  - (c) Closure of operation of any unit, division or subsidiary (in entirety or in 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) 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 Company 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 Company;
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity;
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity;
10. Options to purchase securities including any ESOP/ESPS Scheme;
11. Giving of guarantees or indemnity or becoming a surety by whatever named called for any third party;
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

Note: The above said policy was reviewed and amended by the Board of directors at their meeting held on 06<sup>th</sup> April, 2023 and shall become applicable w.e.f. 06<sup>th</sup> April, 2023.