

POLICY ON DETERMINATION OF MATERIALITY OF EVENTS AND INFORMATION

PREAMBLE:

K K Fincorp Limited (KKFCL) is committed to managing the affairs of the Company in a fair, transparent and ethical manner keeping in view the needs and interest of all stakeholders.

PURPOSE:

As per the requirements of Regulation 30 (4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, every listed entity shall frame a policy for determination of materiality of events and information that shall be disclosed.

Accordingly, the Company in compliance with the above stated Regulation hereby establishes and adopts a Policy on Determining the Materiality of Events and Information.

SCOPE OF THE POLICY:

This Policy shall determine events or information which shall be material in nature and which shall be disclosed to the public at large through intimation to the Stock Exchange(s).

CRITERIA FOR DETERMINING MATERIALITY:

The event or information shall be considered to be material, if:

- 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, the event / information is considered material.

DISCLOSURE OF MATERIAL EVENTS / INFORMATION:

The Company shall make disclosure of events / information as prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Criteria for determination of materiality of events/information referred above i.e the omission of an event or information, whose value, or the expected impact in terms of value, exceeds the lower of the following:

- two percent of turnover, as per the last audited consolidated financial statements of the Company;
- 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;
- 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;

In the case where the criteria specified in is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the Company, the event or information is considered material. Materiality will be determined on a case-to-case basis depending on specific facts and circumstances relating to the information/event. In no case shall the definition of materiality dilute any requirement specified under the provisions of the Listing Regulations.

TIMELINES FOR DISCLOSURE OF MATERIAL EVENTS OR INFORMATION

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

- 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;
- twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company:

Provided that 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 if the disclosure is made after the timelines specified under the Listing Regulations, the Company shall, along with such disclosure, provide the explanation for the delay.

(b) This Policy shall assist such relevant employees which shall be decided by the Managing Director in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, in terms of Regulation 30 (5), for determining the materiality of the said event or information and for making the necessary disclosures to the Stock Exchange(s).

PERSONS AUTHORISED TO DETERMINE MATERIALITY

The Board of Directors of the Company from time to time shall authorize the Whole-time Directors and the Key Managerial Personnel (other than Whole-time Directors) to determine the Materiality of any event or information for the purpose of making a disclosure to the Stock Exchanges. The Contact details of the above personnel shall be disclosed and updated to the Stock Exchanges and on the website of the Company from time to time. Pursuant to Regulation 30 (5) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board of Directors have authorized Shri Shiv Kumar Sharma , Whole Time Director , (KMP) for Determining materiality of an event or information and its dissemination for the purpose of making disclosures to the Stock Exchanges .The contact details of Key Managerial Personnel (KMP) is, Plot No.11 , Cama Industrial Estate , Goregaon (East) Mumbai -400063-Contact No -022-40589888

**GUIDELINES FOR DETERMINATION OF MATERIALITY OF EVENTS/
INFORMATION:**

In order to properly assess, analyse and decide on the materiality of the event / information, a proper procedural guideline shall be followed by the Company. The Heads of the other Departments who are responsible for relevant areas of the Company's operations must report to Managing Director of the Company about any event / information which may possibly be material or of which they are unsure as to its materiality. The event / information should be reported immediately after becoming aware of it.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

AMENDMENTS:

The Board may amend any provision(s) or substitute any provision(s) with new provision(s) or replace the policy entirely with new policy, based on approval by the Board at their meeting. This policy has been amended, approved, and adopted by the Board of Directors at their meeting held on 10th August, 2023.
