

# **POLICY ON DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION**

## **1. Statutory Mandate**

The Board of Directors (The “Board”) of 8K Miles Software Services Limited (the “Company”) has adopted the following policy and procedures with regard to determination of material events which are necessary to be disclosed to the stock exchanges based on criteria as may be deemed necessary and has been adopted as part of this policy. The Board may review and amend this policy from time to time.

This Policy will be applicable to the Company with effect from April 1, 2019 in terms of Clause 30 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR)”).

## **2. Policy Objective and Scope**

To determine the events and information which in the opinion of the Board are Material and needs to be disclosed to the Stock Exchanges as per the time span hitherto defined.

The purpose of this document is to present a high level policy statement for 8K Miles Software Services Limited (8K Miles) regarding disclosure of material events / information in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

The policy is intended to define 8K Miles policy on disclosure of events / information and to provide guidance to the Board of Directors, KMPs and other executives and staff working in 8K Miles in making decisions and undertaking regarding its responsibility about making public such events / information which may materially affect the performance of the company and thereby the share prices of the Company.

The policy is framed for the purpose of systematic identification, categorization, review, disclosure and updation of website the details of information / events which are considered material or not but which may have a bearing on the performance of the Company and which may materially affect the share prices of the company.

3. All the Words and expressions used in this Policy, unless defined hereinafter, shall have meaning respectively assigned to them under the SEBI’s LODR, 2015 and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended from time to time.

## **4. Definitions**

**“Audit Committee or Committee”** means Audit Committee constituted by the Board of Director of the Company, from time to time under provisions of SEBI LODR, 2015, RBI Act and/or the Companies Act, 2013.

**“Board of Directors or Board”** means the Board of Directors of 8K Miles Limited, as constituted from time to time.

**“Company”** means 8K Miles Software Services Limited.

**“Policy”** means this Policy on Disclosure of Material Events.

**“Material Events”** are those that are specified in Para A of Part A of Schedule III of the SEBI (LODR).

**“Other Events”** are those as may be decided from time to time and in accordance with Para B of Part A of Schedule III of the SEBI (LODR).

**“Key Managerial Personnel” (KMP)** of the Company includes Managing / Whole-time Directors, Chief Financial Officer / Vice President Finance and Company Secretary, who may be authorised individually or collectively to disclose events to Stock Exchange.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the SEBI (LODR) or any other applicable law or regulation to the extent applicable to the Company.

## 5. **Criteria for disclosure 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.
- ii. 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;
- iii. In case where the criteria of an event / information does not fall in the first two categories, but still in the opinion of the Board of Directors are considered material.

Events specified in Annexure A to this Policy are deemed to be material events and the Company shall make disclosure of such events as soon as reasonably possible but in any case not later than 24 hours from the occurrence of event or information. In case the disclosure is made after 24 hours of the occurrence of event or information, the Company shall provide an explanation for delay. Events specified in Clause 4 of Annexure A shall be disclosed to the stock exchanges within 30 minutes of the conclusion of the Board meeting.

Events specified in Annexure B to this Policy shall be disclosed based on the application of criteria of materiality as mentioned above.

## 6. **Authority for determination of Materiality of events / information**

The Key Managerial Personnel (KMPs) consisting of the Whole-time Director and Chief Financial Officer / Vice President (Finance) are hereby jointly and severally authorised to determine whether the event / information is material or not for the purposes of making adequate disclosure to the stock exchanges within the prescribed timelines.

**7. Website Updation / Updates to stock exchanges**

The Company shall update all disclosures made under the regulation to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

The Compliance Officer, of the Company, shall give updates to the Board of Directors and to the Stock Exchanges on any material event that may have been first informed to the stock exchanges including further developments, if any, on such events till such time the event is resolved or closed. Such updates shall also be hosted on the website of the Company.

**8. Disaster Preparedness**

8K Miles maintains a Business Continuity Plan (BCP) designed to ensure safety of staff as well as members of the general public, safeguard the documents and records pertaining to all material / non-material events and information which would enable a return to normal operating with minimal disruption. Detailed procedures for responding to an incident are part of the BCP.

In the event of major incident, the first priority is the safety of the people, followed by immediate action to rescue or prevent further damage to the records. Depending on the immediate threat, emergency response and recovery actions will take precedence over all other Company activities.

The Company has made appropriate provision for the backup of its digital collections, including the provision of offsite security copies. The backup copies are actively maintained to ensure their continued viability. The Company's BCP ensures that the digital collections and technical infrastructure required to manage and access them can be restored in the event of an emergency.

**9. Disclosure of events / information on Subsidiaries**

The KMPs of the company jointly and severally in consultation with the Board of Directors shall disclose such events / information about its subsidiary which are considered material in nature and whose disclosure is likely to materially affect the share prices of the Company.

**10. Authorisation to KMPs to suo moto accept / deny reported event or information**

The Key Managerial Personnel (KMPs) consisting of the Managing / Whole-time Director, Chief Finance Office / Vice President (Finance) and the Company Secretary are hereby jointly and severally authorised to suo moto accept / deny any report event or information, which has been made public in an unauthorised manner. They are further authorised to respond in a way which best protects the interests of the Company. Such action taken by

the KMPs shall however, be brought to the attention of the Board of Directors at its immediately subsequent meeting.

11. **Policy Review**

This policy shall be subject to review as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the Board of Directors.

## 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 / restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the Company 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 Company 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 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.

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 Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company 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 Director including reasons for resignation: In case of resignation of an Independent Director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:
    - i. Detailed reasons for the resignation of Independent Directors as given by the said Director shall be disclosed by the Company to the stock exchanges.
    - 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 Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
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 Company.
14. Amendments to memorandum and articles of association of the Company, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors;
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) Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
- l) Any other material information not involving commercial secrets;
- m) Approval of resolution plan by the Tribunal or rejection, if applicable;

## Annexure B

### **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. 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 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. 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.

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 Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

Without prejudice to the generality of Annexure A and B above, the Company may make disclosures of event / information as specified by the Board from time to time.