

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS/INFORMATION

PREAMBLE

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, mandates disclosure of any events or information which, in the opinion of the board of directors ("Board") of **DUKE COMMERCE LIMITED** ("the Company"), is material.

Regulation 30 (4) of the SEBI (LODR) Regulations, 2015 requires the Company to frame a policy for determination of materiality of events or information for disclosure, based on the criteria specified therein.

This Policy has been updated based on the amendments made to Regulation 30 and Schedule III of the LODR Regulations, by way of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023 ("LODR Amendments") and the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123, dated July 13, 2023 ("SEBI Disclosure Circular").

This amended policy is applicable to the Company w.e.f 15th July 2023.

OBJECTIVE

This Policy aims at ensuring that all stakeholders have adequate and timely access to material information to enable them to take well informed decisions with regard to the shares of the Company.

DISCLOSURE OF EVENTS OR INFORMATION

1. The events or information specified in Para A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015 ("**Para A Events**") will be disclosed without the application of any materiality thresholds as specified in sub-Regulation (2) of Regulation 30 of the LODR Regulations. These are "deemed" to be material events.
2. The events or information specified in Para B of Part A of Schedule III of the SEBI (LODR) Regulations, 2015 ("**Para B Events**") will be disclosed based on application of the materiality criteria, as laid out under the LODR Regulations.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

Quantitative criteria would be calculated based on audited financial statements and would mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the **lower** of the following:

- (a) 2% (two per cent) of consolidated turnover, as per the last audited consolidated financial statements of the Company;
- (b) or (b) 2% (two per cent) of consolidated 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)); or

- (c) (c) 5% (five percent) of average of absolute value of consolidated profit or loss after tax for last 3 years, as per the last 3 (three) audited consolidated financial statements of the Company.

In terms of the SEBI Disclosure Circular, if the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

For the avoidance of doubt, it is clarified that if the objective materiality threshold is not met, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

Qualitative criteria would mean an event/ information:

- (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) any other event/information may be treated as being material if in the opinion of the Board of directors of Company, the event / information is considered material

GUIDELINES ON OCCURRENCE OF AN EVENT / INFORMATION & ITS TIMELY DISCLOSURE:

The occurrence of material events/information could be either emanating from within or outside the listed entity by the Company's own accord or for reasons not in the hands of the Company. It can be categorized as under:

- (a) depends upon the stage of discussion, negotiation or approval; and
- (b) in case of natural calamities disrupting operations etc., it would depend upon the timing when the company became aware of the event/information.

In respect of the events under 7(a), the events/information can be said to have occurred upon receipt of approval of the Board of Directors, e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and Shareholders.

However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval. Approvals other than final approvals, such as in-principle approvals, exploratory approvals etc. will not require disclosure under this Code.

In respect of the events under 7(b), the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the

Act and shall also include Promoter of the Company.

ROLES AND RESPONSIBILITIES OF KEY MANAGERIAL PERSONNEL FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND MAKING DISCLOSURE TO STOCK EXCHANGES

Pursuant to Regulation 30(5) of the SEBI (LODR) Regulations, 2015, the Board has authorized the following key managerial personnel of the Company (in terms of the Companies Act, 2013), i.e.

- (a) The Managing Director ;or
- (b) the Company Secretary.

As an “Authorised Persons” for the purposes of determining materiality of an event or information as per the guidelines contained under this Policy and the SEBI (LODR) Regulations, 2015, and for the purposes of disclosing such event/information to the relevant stock exchanges. The contact details of the above Authorised Persons shall be disclosed to the Stock Exchanges and on the website of the Company.

DISCLOSURES

All events/information identified as material in line with the regulation and under this Policy shall be disclosed as soon as reasonably possible and in any case not later than the following:

- (a) For all material events/ information for which decision is taken in a Board meeting within 30 (thirty) minutes from the closure of the board meeting;
- (b) For all material events/ information emanating from within the Company within 12 (twelve) hours from the occurrence of the event or information;
- (c) For all material events/ information relating to the Company but emanating from outside the Company within 24 (twenty four) hours from the occurrence of the event or information.

DISSEMINATION OF POLICY

This Policy shall be hosted on the website of the Company.

This Policy has been approved by the Board of Directors and shall be reviewed and amended by it from time to time.
