

Fidel Softech Policy for Determining Materiality of Events / Information

POLICY FOR DETERMINING MATERIALITY OF EVENTS / INFORMATION

1. Introduction

This policy provides the guidelines adopted by the Company for determining materiality of events or information relating to the Company and procedures laid down for prompt disclosure of such material events/information.

Regulation 30(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) requires every listed company to make disclosure of events or information to the Stock Exchanges which are material in nature.

Regulation 30(5) of the Listing Regulation requires every listed company to authorize Key Managerial Personnel for the purpose of identifying materiality of events.

Regulation 30(8) of the Listing Regulation requires every listed Company to disclose on its website all events and information which are disclosed to the Stock Exchange in accordance with the Regulation 30 of the Listing Regulations.

This policy is prepared in accordance with the requirements laid down in the Listing Regulations. The Company has adopted this policy on 20th April, 2022.

2. Objective

This Policy is framed to determine materiality of events and information and to ensure that the listed entity shall make disclosure of events/transaction/information as specified in Para A and Para B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges.

3. Category of Events

A. Events which are Deemed Material

The first category of disclosure relates to that events / information that are deemed material under the Regulations and have to be mandatorily disclosed without any test of materiality. These are listed in Para a of Part a of Schedule III to the Listing Regulations and same is attached as Annexure – I to the policy.

The Company shall make disclosures of events or information as specified in Annexure – I as soon as reasonably possible and not later than 24 hours from the occurrence of event or information. However, in case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall provide explanation for delay along with such disclosures.

B. Events or information, if considered material by Board

The second category of disclosure is discretionary in nature and events/information under this category shall be disclosed to the Stock Exchanges, if considered material by the Board of Directors/designated Key Managerial Personnel (KMPs) of the listed entity. These are listed in Para B and Para C of Part A of Schedule III to the Listing

Regulations and same is attached as Annexure – II to the policy.

The Company shall make disclosures of events or information as specified in Annexure – II within 24 hours from the occurrence of event or information. However, in case the disclosure is made after 24 hours of occurrence of the event or information, the Company shall provide explanation for delay along with such disclosures.

- 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. The listed entity may make disclosure of any other event/information, in addition to Para A or Para B or Para C as mentioned above, as specified by the Board from time to time.

4. Criteria for Determining Materiality

- a) The Company shall make disclosure of events indicated in Para B and Para C of Part A of Schedule III and events not indicated in Schedule III, if following criteria of determining materiality of events/information apply to them:-
- b) The omission of an events or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- c) 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;
- d) The value of a transaction, if exceeds 20% of the consolidated gross revenue/turnover of the immediately preceding financial year.

5. Designated Key Managerial Personnel

The Board of Director designates Mr. Sunil Kulkarni, Chairman; Mr. Mandar Inamdar, CFO; and CS & Compliance Officer of the Company to be the Designated KMPs severally authorizing them to determine materiality of an event or information for the purpose of making disclosure to the Stock Exchange under this Policy framework.

The Contact details of the Designated KMP's are as follows:

Sr. No.	Name	Designation	Contact Details
1	Sunil Kulkarni	Chairman	Email id : investor-relations@fidelsoftech.com Contact Number: + 91-20-49007800 Address: 2F, Marisoft IT Park, Kalyani Nagar, Pune
2	Mandar Inamdar	CFO	

6. Amendment in policy

Any subsequent amendment/modification in the listing regulations and/or other applicable laws in this regard shall automatically apply to this policy.

Annexure - I

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.
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.

However issue of securities under Employee Stock Option Scheme(s)/Plan(s) will not be considered as event requiring disclosures here under, as the ESOP Schemes/Plans are preapproved by the Shareholders and number of options granted there under is intimated to the Stock Exchanges.

3. Revision in Rating(s).
4. The Company shall disclose the outcome of Board Meetings to the Stock Exchanges, 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).
5. Agreements (viz. Shareholder agreement(s), joint venture agreement(s), family settlement agreement(s), agreement(s) with media companies.

6. Fraud/defaults by promoter or key managerial personnel or by Company 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 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 and presentations on financial results made by the Company to analysts or institutional investors.

Annexure II

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) or any other agreements 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 anyone or more units or division of the entity due to natural calamity, force majeure or events such as strikes, lockouts etc.
7. Effect arising out of change in the regulatory framework applicable to the listed entity.
8. Litigation/disputes/regulatory actions
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.