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# **BLACK BOX LIMITED**

**(FORMERLY KNOWN AS AGC NETWORKS LIMITED)**

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## **POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION**

### **1. SCOPE AND PURPOSE**

The Securities Exchange Board of India (SEBI) on September 2, 2015, has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Regulation 30 requires the Company to frame and adopt a policy to determine the material events by testing the materiality for the purpose of proper, sufficient and timely disclosure of the same to the stock exchanges.

Accordingly, this Policy on Determination of Materiality of Events or Information has been approved and adopted by the Board of Directors of the Company at its meeting held on 11<sup>th</sup> February, 2016. Further, the Board of Directors of the Company have approved amendment(s)/revision(s) to this Policy, at its meeting held on 7<sup>th</sup> February, 2019.

### **2. LEGAL FRAMEWORK**

This Policy for Determination of Materiality of Events or Information (the “Policy”) is aimed at providing guidelines to the Management of **Black Box Limited (Formerly known as AGC Networks Limited) (the “Company”)**, to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the stock exchanges.

### **3. OBJECTIVE**

The objective of this Policy is to serve as a guiding charter to the Management to ensure timely and adequate disclosure of events or information are made to the investor community by the Company under the Listing Regulations, to enable them to take well informed investment decisions with regard to the securities of the Company.

### **4. APPLICABILITY**

Information relating to material events and which is price sensitive in nature, shall be promptly disseminated to the Stock Exchanges. For this purpose, material event means any information which relates to the Company and which, if published is likely to materially affect the price of shares of the Company.

- a. The Company shall make disclosure of events specified in Para A of Part A of Schedule III of the Listing Regulations, as may be amended from time to time, without applying any test of materiality to the stock exchanges within specified timelines.
- b. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations, as may be amended from time to time, based on application of the criteria for determination of materiality as specified in paragraph 5 below.

- 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 Company which may be necessary to enable the shareholders of the Company to appraise its position and to avoid the establishment of a false market in such securities, would be disclosed as advised by the Board from time to time.
- d. The Company shall make disclosures of any events or information which, in the opinion of the Board of Directors, is material. In case where an event occurs or information is available with the company, which has not been indicated in sub-para i, ii and iii above, but which may have material effect on it, the Company would make adequate disclosures in regard thereof.

## **5. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION**

The Company shall consider the following criteria for determination of materiality of events/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 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:
  - 1. two percent of turnover, as per the last audited consolidated financial statements of the Company;
  - 2. 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;
  - 3. 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.
- (d) In case where the above criteria cannot be applied, then an event or information shall be treated as material if so in the opinion of the Board of Directors of the Company.

## **6. TIMELINE FOR DISCLOSURE OF MATERIAL EVENTS / INFORMATION**

- 6.1 The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:
  - I. 30 minutes from the closure of the meeting of the board of directors in which the decision pertaining to any event or information mentioned under Clause 4 of Para A of Part A of Schedule III has been taken;
  - II. 12 hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
  - III. 24 hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.
- 6.2 Disclosure with respect to events for which timelines have been specified in the Regulations shall be made within such timelines.
- 6.3 In case the disclosure is made after the timelines specified under the Regulations, the Company shall, along with such disclosure, provide the explanation for the delay.
- 6.4 The Company shall, with respect to disclosures referred to in this regulation, make disclosures

updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

- 6.5 The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.
- 6.6 The Company shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any event or information for its dissemination.
- 6.7 In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30 of Listing Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.
- 6.8 With effect from April 1, 2024, if the Company falls in top 250 Listed Entities based on market capitalization on any of the exchanges it is listed, the Company shall confirm, deny or clarify any reported event or information in the mainstream media, which is not general in nature and which indicates that rumor of an impending specific material event or information are circulating amongst the investing public in terms of Regulation 30(11) of the SEBI Listing Regulations. If the Company confirms the reported event or information, it shall also provide the current stage of such event or information

## **7. DISCLOSURES REQUIREMENTS FOR CERTAIN TYPES OF AGREEMENTS**

Agreement(s) which is not in normal course of business entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its subsidiary or associate company, who are parties to the agreements specified in the Regulations, shall inform the Company about the agreement to which the Company is not a party, within **two working days** of entering into such agreements or signing an agreement to enter into such agreements.

## **8. AUTHORITY FOR DETERMINING MATERIALITY**

The Managing Director & CEO /Whole Time Director and CFO/Executive Director and CFO of the Company, is authorized to determine materiality of an event/information.

## **9. AUTHORITY FOR MAKING DISCLOSURES TO THE STOCK EXCHANGES AS REQUIRED UNDER LISTING REGULATIONS**

Chief Financial Officer and Company Secretary of the Company are severally authorized to make disclosures on material events and/or information to the Stock Exchanges as required under Listing Regulations.

Contact details of KMPs authorized above shall be disclosed to the stock exchanges and will also be disclosed on the website of the Company.

## **10. DISCLOSURE ON THE WEBSITE OF THE COMPANY**

All such events or information which has been disclosed to stock exchanges under the Listing Regulations shall be made available on the Company's website. Such events or information shall be placed on the website of the Company for a minimum period of five years. The Policy and the contact details of the persons authorized by the Board shall be available on the website of the Company.

In case an event or information is required to be disclosed by the Company in terms of the provisions of these Regulations, pursuant to the receipt of a communication from any regulatory,

statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

## **11. INTERPRETATION**

In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this Policy is amended to conform to the law, rule, regulation or standard.

## **12. DISCLOSURE**

The Company shall observe the following for proper and timely disclosure of any material events/information as defined hereon:

- a) all events, specified in Para A of Part A of Schedule III or information as soon as reasonably possible and not later than 24 hours from the occurrence of the event/information . In the event the disclosure is made after 24 hours of occurrence of the event or information, the Company shall, along with such disclosures provide an explanation for such delay.
- b) The details with regard to any fraud/ default by Directors or KMP or by the Company or arrest of any KMP shall be disclosed at the time of unearthing of the fraud or occurrence of default/ arrest.
- c) The stock exchange(s) shall also be intimated further details regarding the same including actual amount of fraud/ default, actual impact of such fraud/ default on the Company and its financials and corrective measures taken thereon.
- d) Disclosure of any material development shall be made on a regular basis of any event, till the time the event is resolved/ closed.
- e) All the disclosures made to the stock exchanges under this Policy shall also be placed on the Company's website and the same shall be available for a minimum period of five years.
- f) The Company shall also disclose all the events or information with respect to its subsidiaries which are material for the Company.

## **13. AMENDMENT**

The Board of Directors of the Company reserves the right to amend or modify this Policy in whole or in part, as may be required, at any point of time.

This policy was adopted by the Board on 11<sup>th</sup> February, 2016 for implementation with effect from 1<sup>st</sup> December, 2015. This policy has been amended by the Board on August 12, 2023 – **effective from July 14, 2023.**