



POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURE OF EVENTS OR INFORMATION

1. Background:

'Lark Non Ferrous Metals Limited' ("the Company") is in process of listing its securities with the Bombay Stock Exchange (BSE) on SME Platform. The Company is committed to follow good corporate governance practices.

The Company recognizes its responsibility to its investors for disseminating material information in a fair transparent and timely manner, towards this end the Company has in place the Code of Conduct for preventing Insider Trading as also a Code of Corporate Disclosure Practices. Pursuant to the New Listing regulations of SEBI (LODR), 2015, this policy is framed for use by the Company and for the information of the Investors.

2. Definitions:

In this Policy, unless the context otherwise requires:

(a) "**Board of Directors or Board**" means the collective body of the Board of Directors of the Company.

(b) "**Chief Financial Officer**" or "**Head of Finance**", by whatever name called, shall mean the person heading and discharging the finance function of the listed entity as disclosed by it to the recognised stock exchange(s) in its filing under these regulations;

(c) "**Key Managerial Personnel**" means key managerial personnel shall include as defined under the Companies Act, 2013

1. the Chief Executive Officer or the managing director or the manager;
2. the Company Secretary;
3. the Whole-Time Director;
4. the Chief Financial Officer;
5. any other person appointed as the Key Managerial Personnel by the Board of Directors of the Company.

(d) "**Subsidiary**" means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act, 2013.

All other words and expressions used that are not defined in this Policy, but defined in the SEBI Act, 1992, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

3. Objective of the Policy:

The objectives of this Policy are as follows:

- (a) To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various Securities Laws and any other applicable legislations.
- (b) To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of specific event or information.
- (c) To endeavor that corporate documents and public statements are fair and do not contain any misrepresentation.
- (d) To protect the confidentiality of material/price sensitive information within the context of the Company's disclosure obligations.
- (e) To provide a framework that supports and fosters confidence in the quality and integrity of material information released by the Company.
- (f) To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

4. Type of Information:

The information covered by this Policy shall include "information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions" (Hereinafter referred to as "material information") that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

Events or information that are deemed to be material and are to be disclosed without any application of the guidelines for materiality are specified in List 1 to this Policy.

Events or information that are to be disclosed based on materiality principle are specified in List 2 to this Policy.

Without prejudice to the above, the Company may make disclosure of events and information as specified by Stock Exchange from time to time.

5. Persons Responsible for Disclosure:

The Board of Directors of the Company have authorised the Managing Director, Chief Financial Officer and the Company Secretary, (Hereinafter referred to as "Authorized Persons") to determine the materiality of an event or information and to make appropriate disclosure to the Stock Exchanges and also on the Company's website on a timely basis.



The Authorised Persons are also empowered:

- (a) To seek appropriate counsel or guidance, as and when necessary, from other internal or external stakeholders as they may deem fit.
- (b) To call for information from all its internal stakeholders including the heads of its Subsidiaries, Promoters.

The Authorized Person(s) shall have the following responsibilities for determining the material events or information:

- (a) To put in place an adequate mechanism for collecting relevant information and events on a real time basis, to the extent possible, to enable appropriate disclosures under this Policy. The mechanism should include the responsibility of all internal stakeholders to report all events and information as covered in Lists 1 and 2.
- (b) To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- (c) To determine the appropriate time at which the disclosures are to be made to the stock exchanges and on the Company's website based on an assessment of actual time of occurrence of an event or information.
- (d) To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved /closed, with relevant explanations.
- (e) To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such event or information.
- (f) To disclose all events or information with respect to the subsidiaries, if any which are material for the Company.

6. Guidelines for Assessing Materiality:

Materiality will be determined on a case to case basis depending on the facts and circumstances pertaining to the event or information.

The following criteria will be applicable for determination of materiality of event or information:

- (a) The omission of an event or information which is likely to:
 - (i) result in a discontinuity or alteration of an event or information already available publicly; or
 - (ii) result in significant market reaction if the said omission came to light at a later date;



(b) In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.

7. Guidance on Timing of an Event or Information:

(a) The Company may be confronted with the question as to when an event/information can be said to have occurred.

(b) In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc., the answer to the above question would depend upon the timing when the Company became aware of the event/information.

(i) In the former, the events/information can be said to have occurred upon receipt of approval of 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.

(ii) In the latter, 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 Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

8. Policy Review:

The Authorized Persons may review the Policy from time to time. Material Changes to the Policy will need the approval of the Board of Directors.

In case of any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

Any amendments to the Listing Obligations shall *mutatis mutandis* be deemed to have been incorporated in this Policy.

9. Effective Date:

The Policy as approved by the Board of Directors shall be effective from March 16, 2016.



10. Website:

The Policy shall be disclosed on the website of the Company.
(www.larkindia.com)

11. Contact Details:

Queries or clarifications about the policy or disclosures made by the Company should be referred to the Company Secretary as under:

Ms. Baisakhi Jain
Company Secretary and Compliance Officer
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