

Materiality Level

1. Purpose

As per requirement of Code of corporate governance, the board of directors has to define the level of materiality, keeping in view the specific circumstances of the company.

2. Materiality

The board of Directors has determined following as materiality level. Any deviation (individually or collectively) from the company's policies or procedure involving amount in excess of **minimum of threshold** shall be reported to the Board of Directors. Any deviation (individually or collectively) from the company's policies or procedure involving amount in excess of **maximum of threshold** shall require approval of Board of Directors. All matters given under qualitative materiality shall be reported to the Board of Directors.

3. Quantitative materiality

- Minimum : 4% of the Average of Last Three Years Turnover
- Maximum : 6% of the Average of Last Three Years Turnover

4. Qualitative materiality

- Irregularities
- Unusual transactions outside the normal course of business
- Inadequate or improper accounting policy
- Deviation from accounting policies
- Deviation from operational budget
- Any event which required approval from board of directors